

Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Christensen
Chrysler
Clinger
Coble
Collins (GA)
Combust
Cox
Crane
Crapo
Cremins
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth

NAYS—191

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blumenauer
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chenoweth
Clay
Clayton
Clement
Clyburn
Coburn
Coleman
Collins (IL)
Collins (MI)

Hefley
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Riggs
Hutchinson
Hyde
Ingilis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Packard
Parker
Paxon

Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

Furse
Gejdenson
Geren
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee
(TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleckza

Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Metcalfe
Millender
McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran

Bunn
Chapman
Durbine
Engel
Funderburk
Gephardt

Murtha
Nadler
Neal
Oberstar
Obey
Oliver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano

NOT VOTING—17

Gibbons
Hayes
Heineman
Lincoln
Oxley
Peterson (FL)
Rangel
Roberts
Studds
Torres
Wilson

□ 1906

Mrs. CHENOWETH and Mr. METCALF changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 3259, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. COMBEST submitted the following conference report and statement on the bill (H.R. 3259) to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-832)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3259), to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1997".

(b) *TABLE OF CONTENTS.*—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.

Sec. 102. Classified schedule of authorizations.

Sec. 103. Personnel ceiling adjustments.

Sec. 104. Community Management Account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Increase in employee compensation and benefits authorized by law.

Sec. 302. Restriction on conduct of intelligence activities.

Sec. 303. Limitation on availability of funds for automatic declassification of records over 25 years old.

Sec. 304. Application of sanctions laws to intelligence activities.

Sec. 305. Expedited naturalization.

Sec. 306. Sense of Congress on enforcement of requirement to protect the identities of undercover intelligence officers, agents, informants, and sources.

Sec. 307. Sense of Congress on intelligence community contracting.

Sec. 308. Restrictions on intelligence sharing with the United Nations.

Sec. 309. Prohibition on using journalists as agents or assets.

Sec. 310. Report on policy of intelligence community regarding the protection of the national information infrastructure against attack.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

Sec. 401. Elimination of double surcharge on Central Intelligence Agency relating to employees who retire or resign in fiscal years 1998 or 1999 and who receive voluntary separation incentive payments.

Sec. 402. Post-employment restrictions.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

Sec. 501. Executive branch oversight of budgets of elements of the intelligence community.

TITLE VI—FEDERAL BUREAU OF INVESTIGATION

Sec. 601. Access to telephone records.

TITLE VII—COMBATTING PROLIFERATION

Sec. 701. Short title.

Subtitle A—Assessment of Organization and Structure of Government for Combatting Proliferation

Sec. 711. Establishment of commission.

Sec. 712. Duties of commission.

Sec. 713. Powers of commission.

Sec. 714. Commission personnel matters.

Sec. 715. Termination of commission.

Sec. 716. Definition.

Sec. 717. Payment of commission expenses.

Subtitle B—Other Matters

Sec. 721. Reports on acquisition of technology relating to weapons of mass destruction and advanced conventional munitions.

TITLE VIII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES

Sec. 801. Short title.

Sec. 802. Committee on Foreign Intelligence.

Sec. 803. Annual reports on intelligence.

Sec. 804. Transnational threats.

- Sec. 805. Overall management of central intelligence.
- Sec. 806. National Intelligence Council.
- Sec. 807. Enhancement of authority of Director of Central Intelligence to manage budget, personnel, and activities of intelligence community.
- Sec. 808. Responsibilities of Secretary of Defense pertaining to the National Foreign Intelligence Program.
- Sec. 809. Improvement of intelligence collection.
- Sec. 810. Improvement of analysis and production of intelligence.
- Sec. 811. Improvement of administration of intelligence activities.
- Sec. 812. Pay level of Deputy Director of Central Intelligence for Community Management and Assistant Directors of Central Intelligence.
- Sec. 813. General Counsel of the Central Intelligence Agency.
- Sec. 814. Assistance for law enforcement agencies by intelligence community.
- Sec. 815. Appointment of officials responsible for intelligence-related activities.
- Sec. 816. Study on the future of intelligence collection.
- Sec. 817. Intelligence Reserve Corps.

TITLE IX—FINANCIAL MATTERS

- Sec. 901. Authorization of funding provided by 1996 supplemental appropriations Act.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The Drug Enforcement Administration.
- (11) The National Reconnaissance Office.
- (12) The National Imagery and Mapping Agency.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1997, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill H.R. 3259 of the One Hundred Fourth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 1997 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community,

exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1997 the sum of \$131,116,000. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee shall remain available until September 30, 1998.

(b) AUTHORIZED PERSONNEL LEVELS.—The staff of the Community Management Account of the Director of Central Intelligence is authorized 303 full-time personnel as of September 30, 1997. Such personnel of the Community Management Staff may be permanent employees of the Community Management Staff or personnel detailed from other elements of the United States Government.

(c) REIMBURSEMENT.—During fiscal year 1997, any officer or employee of the United States or member of the Armed Forces who is detailed to the staff of the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a non-reimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

(d) NATIONAL DRUG INTELLIGENCE CENTER.—

(1) Of the amount authorized to be appropriated in subsection (a), \$27,000,000 shall be available for the National Drug Intelligence Center located in Johnstown, Pennsylvania.

(2) The Director of Central Intelligence shall transfer to the Attorney General funds available for the National Drug Intelligence Center under paragraph (1). The Attorney General shall utilize funds so transferred for the activities of the center.

(3) Amounts available for the center may not be used in contravention of the provisions of section 103(d)(1) of the National Security Act of 1947 (50 U.S.C. 403-3(d)(1)).

(4) Notwithstanding any other provision of law, the Attorney General shall retain full authority over the operations of the center.

(e) ENVIRONMENTAL PROGRAMS.—Of the amount authorized to be appropriated in subsection (a), \$18,000,000 shall be available for the Environmental Intelligence and Applications Program, formerly known as the Environmental Task Force, and remain available until September 30, 1998.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1997 the sum of \$184,200,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority

for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. LIMITATION ON AVAILABILITY OF FUNDS FOR AUTOMATIC DECLASSIFICATION OF RECORDS OVER 25 YEARS OLD.

Of the amounts authorized to be appropriated for fiscal year 1997 by this Act for the National Foreign Intelligence Program, not more than \$27,200,000 shall be available to carry out the provisions of section 3.4 of Executive Order 12958.

SEC. 304. APPLICATION OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES.

Section 905 of the National Security Act of 1947 (50 U.S.C. 441d) is amended by striking out "on the date which is one year after the date of the enactment of this title" and inserting in lieu thereof "on January 6, 1998".

SEC. 305. EXPEDITED NATURALIZATION.

(a) IN GENERAL.—With the approval of the Director of Central Intelligence, the Attorney General, and the Commissioner of Immigration and Naturalization, an applicant described in subsection (b) and otherwise eligible for naturalization may be naturalized without regard to the residence and physical presence requirements of section 316(a) of the Immigration and Nationality Act, or to the prohibitions of section 313 of such Act, and no residence within a particular State or district of the Immigration and Naturalization Service in the United States shall be required.

(b) ELIGIBLE APPLICANT.—An applicant eligible for naturalization under this section is the spouse or child of a deceased alien whose death resulted from the intentional and unauthorized disclosure of classified information regarding the alien's participation in the conduct of United States intelligence activities and who—

(1) has resided continuously, after being lawfully admitted for permanent residence, within the United States for at least one year prior to naturalization; and

(2) is not described in subparagraph (A), (B), (C), or (D) of section 243(h)(2) of such Act.

(c) ADMINISTRATION OF OATH.—An applicant for naturalization under this section may be administered the oath of allegiance under section 337(a) of the Immigration and Nationality Act by the Attorney General or any district court of the United States, without regard to the residence of the applicant. Proceedings under this subsection shall be conducted in a manner consistent with the protection of intelligence sources, methods, and activities.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "child" means a child as defined in subparagraphs (A) through (E) of section 101(b)(1) of the Immigration and Nationality Act, without regard to age or marital status; and

(2) the term "spouse" means the wife or husband of a deceased alien referred to in subsection (b) who was married to such alien during the time the alien participated in the conduct of United States intelligence activities.

SEC. 306. SENSE OF CONGRESS ON ENFORCEMENT OF REQUIREMENT TO PROTECT THE IDENTITIES OF UNDERCOVER INTELLIGENCE OFFICERS, AGENTS, INFORMANTS, AND SOURCES.

It is the sense of Congress that title VI of the National Security Act of 1947 (50 U.S.C. 421 et seq.) (relating to protection of the identities of undercover intelligence officers, agents, informants, and sources) should be enforced by the appropriate law enforcement agencies.

SEC. 307. SENSE OF CONGRESS ON INTELLIGENCE COMMUNITY CONTRACTING.

It is the sense of Congress that the Director of Central Intelligence should continue to direct that elements of the intelligence community, whenever compatible with the national security

interests of the United States and consistent with the operational and security concerns related to the conduct of intelligence activities, and where fiscally sound, should award contracts in a manner that would maximize the procurement of products properly designated as having been made in the United States.

SEC. 308. RESTRICTIONS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS.

(a) IN GENERAL.—The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end of title I the following new section:

“RESTRICTIONS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS

“SEC. 110. (a) PROVISION OF INTELLIGENCE INFORMATION TO THE UNITED NATIONS.—(1) No United States intelligence information may be provided to the United Nations or any organization affiliated with the United Nations, or to any officials or employees thereof, unless the President certifies to the appropriate committees of Congress that the Director of Central Intelligence, in consultation with the Secretary of State and the Secretary of Defense, has established and implemented procedures, and has worked with the United Nations to ensure implementation of procedures, for protecting from unauthorized disclosure United States intelligence sources and methods connected to such information.

“(2) Paragraph (1) may be waived upon written certification by the President to the appropriate committees of Congress that providing such information to the United Nations or an organization affiliated with the United Nations, or to any officials or employees thereof, is in the national security interests of the United States.

“(b) PERIODIC AND SPECIAL REPORTS.—(1) The President shall report semiannually to the appropriate committees of Congress on the types and volume of intelligence provided to the United Nations and the purposes for which it was provided during the period covered by the report. The President shall also report to the appropriate committees of Congress within 15 days after it has become known to the United States Government that there has been an unauthorized disclosure of intelligence provided by the United States to the United Nations.

“(2) The requirement for periodic reports under the first sentence of paragraph (1) shall not apply to the provision of intelligence that is provided only to, and for the use of, appropriately cleared United States Government personnel serving with the United Nations.

“(c) DELEGATION OF DUTIES.—The President may not delegate or assign the duties of the President under this section.

“(d) RELATIONSHIP TO EXISTING LAW.—Nothing in this section shall be construed to—

“(1) impair or otherwise affect the authority of the Director of Central Intelligence to protect intelligence sources and methods from unauthorized disclosure pursuant to section 103(c)(6) of this Act; or

“(2) supersede or otherwise affect the provisions of title V of this Act.

“(e) DEFINITION.—As used in this section, the term ‘appropriate committees of Congress’ means the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and the Committee on Foreign Relations and the Permanent Select Committee on Intelligence of the House of Representatives.”.

(b) CLERICAL AMENDMENT.—The table of contents for the National Security Act of 1947 is amended by inserting after the item relating to section 109 the following:

“Sec. 110. Restrictions on intelligence sharing with the United Nations.”.

SEC. 309. PROHIBITION ON USING JOURNALISTS AS AGENTS OR ASSETS.

(a) POLICY.—It is the policy of the United States that an element of the Intelligence Community may not use as an agent or asset for the

purposes of collecting intelligence any individual who—

(1) is authorized by contract or by the issuance of press credentials to represent himself or herself, either in the United States or abroad, as a correspondent of a United States news media organization; or

(2) is officially recognized by a foreign government as a representative of a United States media organization.

(b) WAIVER.—Pursuant to such procedures as the President may prescribe, the President or the Director of Central Intelligence may waive subsection (a) in the case of an individual if the President or the Director, as the case may be, makes a written determination that the waiver is necessary to address the overriding national security interest of the United States. The Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate shall be notified of any waiver under this subsection.

(c) VOLUNTARY COOPERATION.—Subsection (a) shall not be construed to prohibit the voluntary cooperation of any person who is aware that the cooperation is being provided to an element of the United States Intelligence Community.

SEC. 310. REPORT ON POLICY OF INTELLIGENCE COMMUNITY REGARDING THE PROTECTION OF THE NATIONAL INFORMATION INFRASTRUCTURE AGAINST ATTACK.

(a) REPORT.—(1) Not later than 120 days after the date of the enactment of this Act, the Director of Central Intelligence shall submit to Congress a report on the potential responses of the intelligence community to threats to and attacks upon the information infrastructure of the United States by foreign countries, groups, or individuals, or by other entities, groups, or individuals.

(2) The report shall include the following:

(A) An analysis of the threats posed to the information infrastructure of the United States by information warfare and other forms of non-traditional attacks on the infrastructure by foreign countries, groups, or individuals, or by other entities, groups, or individuals.

(B) A description and assessment of the counterintelligence activities required to respond to such threats, including the plans of the intelligence community to support such activities.

(b) DEFINITIONS.—For purposes of this section:

(1) The term “intelligence community” has the meaning given such term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

(2) The term “information infrastructure of the United States” includes the information infrastructure of the public sector and of the private sector.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. ELIMINATION OF DOUBLE SURCHARGE ON CENTRAL INTELLIGENCE AGENCY RELATING TO EMPLOYEES WHO RETIRE OR RESIGN IN FISCAL YEARS 1998 OR 1999 AND WHO RECEIVE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

Section 2(i) of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403-4 note) is amended by adding at the end the following: “The remittance required by this subsection shall be in lieu of any remittance required by section 4(a) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 8331 note).”.

SEC. 402. POST-EMPLOYMENT RESTRICTIONS.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Director of Central Intelligence shall prescribe regulations requiring each employee of the Central Intelligence Agency designated by the Director for such purpose to sign a written agreement restricting the activities of the employee upon ceasing employment with the Central Intelligence Agency. The Director may designate a group or class of employees for such purpose.

(b) AGREEMENT ELEMENTS.—The regulations shall provide that an agreement contain provisions specifying that the employee concerned not represent or advise the government, or any political party, of any foreign country during the three-year period beginning on the cessation of the employee's employment with the Central Intelligence Agency unless the Director determines that such representation or advice would be in the best interests of the United States.

(c) DISCIPLINARY ACTIONS.—The regulations shall specify appropriate disciplinary actions (including loss of retirement benefits) to be taken against any employee determined by the Director of Central Intelligence to have violated the agreement of the employee under this section.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. EXECUTIVE BRANCH OVERSIGHT OF BUDGETS OF ELEMENTS OF THE INTELLIGENCE COMMUNITY.

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report setting forth the actions that have been taken to ensure adequate oversight by the executive branch of the budget of the National Reconnaissance Office and the budgets of other elements of the intelligence community within the Department of Defense.

(b) REPORT ELEMENTS.—The report required by subsection (a) shall—

(1) describe the extent to which the elements of the intelligence community carrying out programs and activities in the National Foreign Intelligence Program are subject to requirements imposed on other elements and components of the Department of Defense under the Chief Financial Officers Act of 1990 (Public Law 101-576), and the amendments made by that Act, and the Federal Financial Management Act of 1994 (title IV of Public Law 103-356), and the amendments made by that Act;

(2) describe the extent to which such elements submit to the Office of Management and Budget budget justification materials and execution reports similar to the budget justification materials and execution reports submitted to the Office of Management and Budget by the non-intelligence components of the Department of Defense;

(3) describe the extent to which the National Reconnaissance Office submits to the Office of Management and Budget, the Community Management Staff, and the Office of the Secretary of Defense—

(A) complete information on the cost, schedule, performance, and requirements for any new major acquisition before initiating the acquisition;

(B) yearly reports (including baseline cost and schedule information) on major acquisitions;

(C) planned and actual expenditures in connection with major acquisitions; and

(D) variances from any cost baselines for major acquisitions (including explanations of such variances); and

(4) assess the extent to which the National Reconnaissance Office has submitted to Office of Management and Budget, the Community Management Staff, and the Office of the Secretary of Defense on a monthly basis a detailed budget execution report similar to the budget execution report prepared for Department of Defense programs.

(c) DEFINITIONS.—For purposes of this section: (1) The term “appropriate congressional committees” means the following:

(A) The Select Committee on Intelligence and the Committee on Armed Services of the Senate.

(B) The Permanent Select Committee on Intelligence and the Committee on National Security of the House of Representatives.

(2) The term “National Foreign Intelligence Program” has the meaning given such term in section 3(6) of the National Security Act of 1947 (50 U.S.C. 401a(6)).

TITLE VI—FEDERAL BUREAU OF INVESTIGATION

SEC. 601. ACCESS TO TELEPHONE RECORDS.

(a) ACCESS FOR COUNTERINTELLIGENCE PURPOSES.—Section 2709(b)(1) of title 18, United States Code, is amended by inserting “local and long distance” before “toll billing records”.

(b) CONFORMING AMENDMENT.—Section 2703(c)(1)(C) of such title is amended by inserting “local and long distance” after “address.”.

(c) CIVIL REMEDY.—Section 2707 of such title is amended—

(1) in subsection (a), by striking out “customer” and inserting in lieu thereof “other person”;

(2) in subsection (c), by adding at the end the following: “If the violation is willful or intentional, the court may assess punitive damages. In the case of a successful action to enforce liability under this section, the court may assess the costs of the action, together with reasonable attorney fees determined by the court.”;

(3) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(4) by inserting after subsection (c) the following new subsection (d):

“(d) DISCIPLINARY ACTIONS FOR VIOLATIONS.—If a court determines that any agency or department of the United States has violated this chapter and the court finds that the circumstances surrounding the violation raise the question whether or not an officer or employee of the agency or department acted willfully or intentionally with respect to the violation, the agency or department concerned shall promptly initiate a proceeding to determine whether or not disciplinary action is warranted against the officer or employee.”.

TITLE VII—COMBATTING PROLIFERATION

SEC. 701. SHORT TITLE.

This title may be cited as the “Combating Proliferation of Weapons of Mass Destruction Act of 1996”.

Subtitle A—Assessment of Organization and Structure of Government for Combatting Proliferation

SEC. 711. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction (in this subtitle referred to as the “Commission”).

(b) MEMBERSHIP.—The Commission shall be composed of eight members of whom—

(1) four shall be appointed by the President;

(2) one shall be appointed by the Majority Leader of the Senate;

(3) one shall be appointed by the Minority Leader of the Senate;

(4) one shall be appointed by the Speaker of the House of Representatives; and

(5) one shall be appointed by the Minority Leader of the House of Representatives.

(c) QUALIFICATIONS OF MEMBERS.—(1) To the maximum extent practicable, the individuals appointed as members of the Commission shall be individuals who are nationally recognized for expertise regarding—

(A) the nonproliferation of weapons of mass destruction;

(B) the efficient and effective implementation of United States nonproliferation policy; or

(C) the implementation, funding, or oversight of the national security policies of the United States.

(2) An official who appoints members of the Commission may not appoint an individual as a member if, in the judgment of the official, the individual possesses any personal or financial interest in the discharge of any of the duties of the Commission.

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIRMAN AND VICE CHAIRMAN.—The Commission shall select a Chairman and Vice Chairman from among its members.

(h) MEETINGS.—The Commission shall meet at the call of the Chairman.

SEC. 712. DUTIES OF COMMISSION.

(a) STUDY.—

(1) IN GENERAL.—The Commission shall carry out a thorough study of the organization of the Federal Government, including the elements of the intelligence community, with respect to combatting the proliferation of weapons of mass destruction.

(2) SPECIFIC REQUIREMENTS.—In carrying out the study, the Commission shall—

(A) assess the current structure and organization of the departments and agencies of the Federal Government having responsibilities for combatting the proliferation of weapons of mass destruction; and

(B) assess the effectiveness of United States cooperation with foreign governments with respect to nonproliferation activities, including cooperation—

(i) between elements of the intelligence community and elements of the intelligence-gathering services of foreign governments;

(ii) between other departments and agencies of the Federal Government and the counterparts to such departments and agencies in foreign governments; and

(iii) between the Federal Government and international organizations.

(3) ASSESSMENTS.—In making the assessments under paragraph (2), the Commission should address—

(A) the organization of the export control activities (including licensing and enforcement activities) of the Federal Government relating to the proliferation of weapons of mass destruction;

(B) arrangements for coordinating the funding of United States nonproliferation activities;

(C) existing arrangements governing the flow of information among departments and agencies of the Federal Government responsible for nonproliferation activities;

(D) the effectiveness of the organization and function of interagency groups in ensuring implementation of United States treaty obligations, laws, and policies with respect to nonproliferation;

(E) the administration of sanctions for purposes of nonproliferation, including the measures taken by departments and agencies of the Federal Government to implement, assess, and enhance the effectiveness of such sanctions;

(F) the organization, management, and oversight of United States counterproliferation activities;

(G) the recruitment, training, morale, expertise, retention, and advancement of Federal Government personnel responsible for the nonproliferation functions of the Federal Government, including any problems in such activities;

(H) the role in United States nonproliferation activities of the National Security Council, the Office of Management and Budget, the Office of Science and Technology Policy, and other offices in the Executive Office of the President having responsibilities for such activities;

(I) the organization of the activities of the Federal Government to verify government-to-government assurances and commitments with respect to nonproliferation, including assurances regarding the future use of commodities exported from the United States; and

(J) the costs and benefits to the United States of increased centralization and of decreased centralization in the administration of the non-

proliferation activities of the Federal Government.

(b) RECOMMENDATIONS.—In conducting the study, the Commission shall develop recommendations on means of improving the effectiveness of the organization of the departments and agencies of the Federal Government in meeting the national security interests of the United States with respect to the proliferation of weapons of mass destruction. Such recommendations shall include specific recommendations to eliminate duplications of effort, and other inefficiencies, in and among such departments and agencies.

(c) REPORT.—(1) Not later than 18 months after the date of the enactment of this Act, the Commission shall submit to Congress a report containing a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(2) The report shall be submitted in unclassified form, but may include a classified annex.

SEC. 713. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this subtitle.

(b) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this subtitle. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(2) CLASSIFIED INFORMATION.—A department or agency may furnish the Commission classified information under this subsection. The Commission shall take appropriate actions to safeguard classified information furnished to the Commission under this paragraph.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(d) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

SEC. 714. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States

Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) **DETAIL OF GOVERNMENT EMPLOYEES.**—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) **PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.**—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 715. TERMINATION OF COMMISSION.

The Commission shall terminate 60 days after the date on which the Commission submits its report under section 712(c).

SEC. 716. DEFINITION.

For purposes of this subtitle, the term "intelligence community" shall have the meaning given such term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SEC. 717. PAYMENT OF COMMISSION EXPENSES.

The compensation, travel expenses, per diem allowances of members and employees of the Commission, and other expenses of the Commission shall be paid out of funds available to the Director of Central Intelligence for the payment of compensation, travel allowances, and per diem allowances, respectively, of employees of the Central Intelligence Agency.

Subtitle B—Other Matters

SEC. 721. REPORTS ON ACQUISITION OF TECHNOLOGY RELATING TO WEAPONS OF MASS DESTRUCTION AND ADVANCED CONVENTIONAL MUNITIONS.

(a) **REPORTS.**—Not later than 6 months after the date of the enactment of this Act, and every 6 months thereafter, the Director of Central Intelligence shall submit to Congress a report on—

(1) the acquisition by foreign countries during the preceding 6 months of dual-use and other technology useful for the development or production of weapons of mass destruction (including nuclear weapons, chemical weapons, and biological weapons) and advanced conventional munitions; and

(2) trends in the acquisition of such technology by such countries.

(b) **FORM OF REPORTS.**—The reports submitted under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

TITLE VIII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES

SEC. 801. SHORT TITLE.

This title may be cited as the "Intelligence Renewal and Reform Act of 1996".

SEC. 802. COMMITTEE ON FOREIGN INTELLIGENCE.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended—

(1) by redesignating subsection (h) as subsection (j); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h)(1) There is established within the National Security Council a committee to be known as the Committee on Foreign Intelligence (in this subsection referred to as the 'Committee').

"(2) The Committee shall be composed of the following:

"(A) The Director of Central Intelligence.

"(B) The Secretary of State.

"(C) The Secretary of Defense.

"(D) The Assistant to the President for National Security Affairs, who shall serve as the chairperson of the Committee.

"(E) Such other members as the President may designate.

"(3) The function of the Committee shall be to assist the Council in its activities by—

"(A) identifying the intelligence required to address the national security interests of the United States as specified by the President;

"(B) establishing priorities (including funding priorities) among the programs, projects, and activities that address such interests and requirements; and

"(C) establishing policies relating to the conduct of intelligence activities of the United States, including appropriate roles and missions for the elements of the intelligence community and appropriate targets of intelligence collection activities.

"(4) In carrying out its function, the Committee shall—

"(A) conduct an annual review of the national security interests of the United States;

"(B) identify on an annual basis, and at such other times as the Council may require, the intelligence required to meet such interests and establish an order of priority for the collection and analysis of such intelligence; and

"(C) conduct an annual review of the elements of the intelligence community in order to determine the success of such elements in collecting, analyzing, and disseminating the intelligence identified under subparagraph (B).

"(5) The Committee shall submit each year to the Council and to the Director of Central Intelligence a comprehensive report on its activities during the preceding year, including its activities under paragraphs (3) and (4)."

SEC. 803. ANNUAL REPORTS ON INTELLIGENCE.

(a) **IN GENERAL.**—Section 109 of the National Security Act of 1947 (50 U.S.C. 404d) is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following new subsections:

"SEC. 109. (a) **IN GENERAL.**—(1) Not later than January 31 each year, the President shall submit to the appropriate congressional committees a report on the requirements of the United States for intelligence and the activities of the intelligence community.

"(2) The purpose of the report is to facilitate an assessment of the activities of the intelligence community during the preceding fiscal year and to assist in the development of a mission and a budget for the intelligence community for the fiscal year beginning in the year in which the report is submitted.

"(3) The report shall be submitted in unclassified form, but may include a classified annex.

"(b) **MATTERS COVERED.**—(1) Each report under subsection (a) shall—

"(A) specify the intelligence required to meet the national security interests of the United States, and set forth an order of priority for the collection and analysis of intelligence required to meet such interests, for the fiscal year beginning in the year in which the report is submitted; and

"(B) evaluate the performance of the intelligence community in collecting and analyzing intelligence required to meet such interests during the fiscal year ending in the year preceding the year in which the report is submitted, including a description of the significant successes and significant failures of the intelligence community in such collection and analysis during that fiscal year.

"(2) The report shall specify matters under paragraph (1)(A) in sufficient detail to assist Congress in making decisions with respect to the allocation of resources for the matters specified.

"(c) **DEFINITION.**—In this section, the term 'appropriate congressional committees' means the following:

"(1) The Select Committee on Intelligence, the Committee on Appropriations, and the Committee on Armed Services of the Senate.

"(2) The Permanent Select Committee on Intelligence, the Committee on Appropriations, and the Committee on National Security of the House of Representatives."

(b) **CONFORMING AMENDMENTS.**—(1) The section heading of such section is amended to read as follows:

"ANNUAL REPORT ON INTELLIGENCE".

(2) The table of contents for Act is amended by striking out the item relating to section 109 and inserting in lieu thereof the following new item:

"Sec. 109. Annual report on intelligence."

SEC. 804. TRANSNATIONAL THREATS.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by inserting after subsection (h), as amended by section 802 of this Act, the following new subsection:

"(i)(1) There is established within the National Security Council a committee to be known as the Committee on Transnational Threats (in this subsection referred to as the 'Committee').

"(2) The Committee shall include the following members:

"(A) The Director of Central Intelligence.

"(B) The Secretary of State.

"(C) The Secretary of Defense.

"(D) The Attorney General.

"(E) The Assistant to the President for National Security Affairs, who shall serve as the chairperson of the Committee.

"(F) Such other members as the President may designate.

"(3) The function of the Committee shall be to coordinate and direct the activities of the United States Government relating to combatting transnational threats.

"(4) In carrying out its function, the Committee shall—

"(A) identify transnational threats;

"(B) develop strategies to enable the United States Government to respond to transnational threats identified under subparagraph (A);

"(C) monitor implementation of such strategies;

"(D) make recommendations as to appropriate responses to specific transnational threats;

"(E) assist in the resolution of operational and policy differences among Federal departments and agencies in their responses to transnational threats;

"(F) develop policies and procedures to ensure the effective sharing of information about transnational threats among Federal departments and agencies, including law enforcement agencies and the elements of the intelligence community; and

"(G) develop guidelines to enhance and improve the coordination of activities of Federal law enforcement agencies and elements of the intelligence community outside the United States with respect to transnational threats.

"(5) For purposes of this subsection, the term 'transnational threat' means the following:

"(A) Any transnational activity (including international terrorism, narcotics trafficking, the proliferation of weapons of mass destruction and the delivery systems for such weapons, and organized crime) that threatens the national security of the United States.

"(B) Any individual or group that engages in an activity referred to in subparagraph (A)."

SEC. 805. OVERALL MANAGEMENT OF CENTRAL INTELLIGENCE.

(a) **OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.**—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by striking out section 102 and inserting in lieu thereof the following new section 102:

"OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE

"SEC. 102. (a) **DIRECTOR OF CENTRAL INTELLIGENCE.**—There is a Director of Central Intelligence who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall—

"(1) serve as head of the United States intelligence community;

"(2) act as the principal adviser to the President for intelligence matters related to the national security; and

“(3) serve as head of the Central Intelligence Agency.

“(b) DEPUTY DIRECTORS OF CENTRAL INTELLIGENCE.—(1) There is a Deputy Director of Central Intelligence who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) There is a Deputy Director of Central Intelligence for Community Management who shall be appointed by the President, by and with the advice and consent of the Senate.

“(3) Each Deputy Director of Central Intelligence shall have extensive national security expertise.

“(c) MILITARY STATUS OF DIRECTOR AND DEPUTY DIRECTORS.—(1)(A) Not more than one of the individuals serving in the positions specified in subparagraph (B) may be a commissioned officer of the Armed Forces, whether in active or retired status.

“(B) The positions referred to in subparagraph (A) are the following:

“(i) The Director of Central Intelligence.

“(ii) The Deputy Director of Central Intelligence.

“(iii) The Deputy Director of Central Intelligence for Community Management.

“(2) It is the sense of Congress that, under ordinary circumstances, it is desirable that one of the individuals serving in the positions specified in paragraph (1)(B)—

“(A) be a commissioned officer of the Armed Forces, whether in active or retired status; or

“(B) have, by training or experience, an appreciation of military intelligence activities and requirements.

“(3) A commissioned officer of the Armed Forces, while serving in a position specified in paragraph (1)(B)—

“(A) shall not be subject to supervision or control by the Secretary of Defense or by any officer or employee of the Department of Defense;

“(B) shall not exercise, by reason of the officer's status as a commissioned officer, any supervision or control with respect to any of the military or civilian personnel of the Department of Defense except as otherwise authorized by law; and

“(C) shall not be counted against the numbers and percentages of commissioned officers of the rank and grade of such officer authorized for the military department of that officer.

“(4) Except as provided in subparagraph (A) or (B) of paragraph (3), the appointment of an officer of the Armed Forces to a position specified in paragraph (1)(B) shall not affect the status, position, rank, or grade of such officer in the Armed Forces, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, position, rank, or grade.

“(5) A commissioned officer of the Armed Forces on active duty who is appointed to a position specified in paragraph (1)(B), while serving in such position and while remaining on active duty, shall continue to receive military pay and allowances and shall not receive the pay prescribed for such position. Funds from which such pay and allowances are paid shall be reimbursed from funds available to the Director of Central Intelligence.

“(d) DUTIES OF DEPUTY DIRECTORS.—(1)(A) The Deputy Director of Central Intelligence shall assist the Director of Central Intelligence in carrying out the Director's responsibilities under this Act.

“(B) The Deputy Director of Central Intelligence shall act for, and exercise the powers of, the Director of Central Intelligence during the Director's absence or disability or during a vacancy in the position of the Director of Central Intelligence.

“(2) The Deputy Director of Central Intelligence for Community Management shall, subject to the direction of the Director of Central Intelligence, be responsible for the following:

“(A) Directing the operations of the Community Management Staff.

“(B) Through the Assistant Director of Central Intelligence for Collection, ensuring the efficient and effective collection of national intelligence using technical means and human sources.

“(C) Through the Assistant Director of Central Intelligence for Analysis and Production, conducting oversight of the analysis and production of intelligence by elements of the intelligence community.

“(D) Through the Assistant Director of Central Intelligence for Administration, performing community-wide management functions of the intelligence community, including the management of personnel and resources.

“(3)(A) The Deputy Director of Central Intelligence takes precedence in the Office of the Director of Central Intelligence immediately after the Director of Central Intelligence.

“(B) The Deputy Director of Central Intelligence for Community Management takes precedence in the Office of the Director of Central Intelligence immediately after the Deputy Director of Central Intelligence.

“(e) OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.—(1) There is an Office of the Director of Central Intelligence. The function of the Office is to assist the Director of Central Intelligence in carrying out the duties and responsibilities of the Director under this Act and to carry out such other duties as may be prescribed by law.

“(2) The Office of the Director of Central Intelligence is composed of the following:

“(A) The Director of Central Intelligence.

“(B) The Deputy Director of Central Intelligence.

“(C) The Deputy Director of Central Intelligence for Community Management.

“(D) The National Intelligence Council.

“(E) The Assistant Director of Central Intelligence for Collection.

“(F) The Assistant Director of Central Intelligence for Analysis and Production.

“(G) The Assistant Director of Central Intelligence for Administration.

“(H) Such other offices and officials as may be established by law or the Director of Central Intelligence may establish or designate in the Office.

“(3) To assist the Director in fulfilling the responsibilities of the Director as head of the intelligence community, the Director shall employ and utilize in the Office of the Director of Central Intelligence a professional staff having an expertise in matters relating to such responsibilities and may establish permanent positions and appropriate rates of pay with respect to that staff.”

(b) CENTRAL INTELLIGENCE AGENCY.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by inserting after section 102, as amended by subsection (a), the following new section:

“CENTRAL INTELLIGENCE AGENCY

“SEC. 102A. There is a Central Intelligence Agency. The function of the Agency shall be to assist the Director of Central Intelligence in carrying out the responsibilities referred to in paragraphs (1) through (5) of section 103(d) of this Act.”

(c) CLERICAL AMENDMENT.—The table of contents for that Act is amended by striking out the item relating to section 102 and inserting in lieu thereof the following new items:

“Sec. 102. Office of the Director of Central Intelligence.

“Sec. 102A. Central Intelligence Agency.”

SEC. 806. NATIONAL INTELLIGENCE COUNCIL.

Section 103(b) of the National Security Act of 1947 (50 U.S.C. 403-3(b)) is amended—

(1) in paragraph (1)(B), by inserting “, or as contractors of the Council or employees of such contractors,” after “on the Council”;

(2) in paragraph (2)—

(A) by striking out “and” at the end of subparagraph (A);

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph (B):

“(B) evaluate community-wide collection and production of intelligence by the intelligence community and the requirements and resources of such collection and production; and”;

(3) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(4) by inserting after paragraph (3) the following new paragraph (4):

“(4) Subject to the direction and control of the Director of Central Intelligence, the Council may carry out its responsibilities under this subsection by contract, including contracts for substantive experts necessary to assist the Council with particular assessments under this subsection.”; and

(5) in paragraph (5), as so redesignated, by adding at the end the following: “The Council shall also be readily accessible to policymaking officials and other appropriate individuals not otherwise associated with the intelligence community.”

SEC. 807. ENHANCEMENT OF AUTHORITY OF DIRECTOR OF CENTRAL INTELLIGENCE TO MANAGE BUDGET, PERSONNEL, AND ACTIVITIES OF INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Section 103(c) of the National Security Act of 1947 (50 U.S.C. 403-3(c)) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph (1):

“(1) facilitate the development of an annual budget for intelligence and intelligence-related activities of the United States by—

“(A) developing and presenting to the President an annual budget for the National Foreign Intelligence Program; and

“(B) participating in the development by the Secretary of Defense of the annual budgets for the Joint Military Intelligence Program and the Tactical Intelligence and Related Activities Program;”;

(2) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

(3) by inserting after paragraph (2) the following new paragraph (3):

“(3) approve collection requirements, determine collection priorities, and resolve conflicts in collection priorities levied on national collection assets, except as otherwise agreed with the Secretary of Defense pursuant to the direction of the President;”.

(b) USE OF FUNDS.—Section 104(c) of the National Security Act of 1947 (50 U.S.C. 403-4(c)) is amended by adding at the end the following: “The Secretary of Defense shall consult with the Director of Central Intelligence before reprogramming funds made available under the Joint Military Intelligence Program.”

(c) PERIODIC REPORTS ON EXPENDITURES.—Not later than January 1, 1997, the Director of Central Intelligence and the Secretary of Defense shall prescribe guidelines to ensure prompt reporting to the Director and the Secretary on a periodic basis of budget execution data for all national, defense-wide, and tactical intelligence activities.

(d) DATABASE PROGRAM TRACKING.—Not later than January 1, 1999, the Director of Central Intelligence and the Secretary of Defense shall develop and implement a database to provide timely and accurate information on the amounts, purposes, and status of the resources, including periodic budget execution updates, for all national, defense-wide, and tactical intelligence activities.

(e) PERSONNEL, TRAINING, AND ADMINISTRATIVE ACTIVITIES.—Not later than January 31 of each year through 1999, the Director of Central Intelligence shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of

Representatives a report on the policies and programs the Director has instituted under subsection (f) of section 104 of the National Security Act of 1947.

SEC. 808. RESPONSIBILITIES OF SECRETARY OF DEFENSE PERTAINING TO THE NATIONAL FOREIGN INTELLIGENCE PROGRAM.

Section 105 of the National Security Act of 1947 (50 U.S.C. 403-5) is amended—

(1) in subsection (a), by inserting “, in consultation with the Director of Central Intelligence,” after “Secretary of Defense” in the matter preceding paragraph (1); and

(2) by adding at the end the following:

“(d) ANNUAL EVALUATION OF THE DIRECTOR OF CENTRAL INTELLIGENCE.—The Director of Central Intelligence, in consultation with the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, shall submit each year to the Committee on Foreign Intelligence of the National Security Council and the appropriate congressional committees (as defined in section 109(c) of this Act) an evaluation of the performance and the responsiveness of the National Security Agency, the National Reconnaissance Office, and the National Imagery and Mapping Agency in meeting their national missions.”.

SEC. 809. IMPROVEMENT OF INTELLIGENCE COLLECTION.

(a) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR COLLECTION.—Section 102 of the National Security Act of 1947, as amended by section 805(a) of this Act, is further amended by adding at the end the following:

“(f) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR COLLECTION.—(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Collection who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Assistant Director for Collection shall assist the Director of Central Intelligence in carrying out the Director’s collection responsibilities in order to ensure the efficient and effective collection of national intelligence.”.

(b) CONSOLIDATION OF HUMAN INTELLIGENCE COLLECTION ACTIVITIES.—Not later than 90 days after the date of the enactment of this Act, the Director of Central Intelligence and the Deputy Secretary of Defense shall jointly submit to the Committee on Armed Services and the Select Committee on Intelligence of the Senate and the Committee on National Security and the Permanent Select Committee on Intelligence of the House of Representatives a report on the ongoing efforts of those officials to achieve commonality, interoperability, and, where practicable, consolidation of the collection of clandestine intelligence from human sources conducted by the Defense Human Intelligence Service of the Department of Defense and the Directorate of Operations of the Central Intelligence Agency.

SEC. 810. IMPROVEMENT OF ANALYSIS AND PRODUCTION OF INTELLIGENCE.

Section 102 of the National Security Act of 1947, as amended by section 809(a) of this Act, is further amended by adding at the end the following:

“(g) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR ANALYSIS AND PRODUCTION.—(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Analysis and Production who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Assistant Director for Analysis and Production shall—

“(A) oversee the analysis and production of intelligence by the elements of the intelligence community;

“(B) establish standards and priorities relating to such analysis and production;

“(C) monitor the allocation of resources for the analysis and production of intelligence in

order to identify unnecessary duplication in the analysis and production of intelligence;

“(D) identify intelligence to be collected for purposes of the Assistant Director of Central Intelligence for Collection; and

“(E) provide such additional analysis and production of intelligence as the President and the National Security Council may require.”.

SEC. 811. IMPROVEMENT OF ADMINISTRATION OF INTELLIGENCE ACTIVITIES.

Section 102 of the National Security Act of 1947, as amended by section 810 of this Act, is further amended by adding at the end the following:

“(h) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR ADMINISTRATION.—(1) To assist the Director of Central Intelligence in carrying out the Director’s responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Administration who shall be appointed by the President, by and with the advice and consent of the Senate.

“(2) The Assistant Director for Administration shall manage such activities relating to the administration of the intelligence community as the Director of Central Intelligence shall require.”.

SEC. 812. PAY LEVEL OF DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE FOR COMMUNITY MANAGEMENT AND ASSISTANT DIRECTORS OF CENTRAL INTELLIGENCE.

(a) EXECUTIVE SCHEDULE III PAY LEVEL.—Section 5314 of title 5, United States Code, is amended by striking out item the relating to the Deputy Director of Central Intelligence and inserting in lieu thereof the following:

“Deputy Directors of Central Intelligence (2).”.

(b) EXECUTIVE SCHEDULE IV PAY LEVEL.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

“Assistant Directors of Central Intelligence (3).”.

SEC. 813. GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY.

(a) IN GENERAL.—The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end the following:

“GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY

“SEC. 20. (a) There is a General Counsel of the Central Intelligence Agency, appointed from civilian life by the President, by and with the advice and consent of the Senate.

“(b) The General Counsel is the chief legal officer of the Central Intelligence Agency.

“(c) The General Counsel of the Central Intelligence Agency shall perform such functions as the Director of Central Intelligence may prescribe.”.

(b) APPLICABILITY OF APPOINTMENT REQUIREMENTS.—The requirement established by section 20 of the Central Intelligence Agency Act of 1949, as added by subsection (a), for the appointment by the President, by and with the advice and consent of the Senate, of an individual to the position of General Counsel of the Central Intelligence Agency shall apply as follows:

(1) To any vacancy in such position that occurs after the date of the enactment of this Act.

(2) To the incumbent serving in such position on the date of the enactment of this Act as of the date that is six months after such date of enactment, if such incumbent has served in such position continuously between such date of enactment and the date that is six months after such date of enactment.

(c) EXECUTIVE SCHEDULE IV PAY LEVEL.—Section 5315 of title 5, United States Code, as amended by section 812 of this Act, is further amended by adding at the end the following:

“General Counsel of the Central Intelligence Agency.”.

SEC. 814. ASSISTANCE FOR LAW ENFORCEMENT AGENCIES BY INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amend-

ed by inserting after section 105 the following new section:

“ASSISTANCE TO UNITED STATES LAW ENFORCEMENT AGENCIES

“SEC. 105A. (a) AUTHORITY TO PROVIDE ASSISTANCE.—Subject to subsection (b), elements of the intelligence community may, upon the request of a United States law enforcement agency, collect information outside the United States about individuals who are not United States persons. Such elements may collect such information notwithstanding that the law enforcement agency intends to use the information collected for purposes of a law enforcement investigation or counterintelligence investigation.

“(b) LIMITATION ON ASSISTANCE BY ELEMENTS OF DEPARTMENT OF DEFENSE.—(1) With respect to elements within the Department of Defense, the authority in subsection (a) applies only to the following:

“(A) The National Security Agency.

“(B) The National Reconnaissance Office.

“(C) The National Imagery and Mapping Agency.

“(D) The Defense Intelligence Agency.

“(2) Assistance provided under this section by elements of the Department of Defense may not include the direct participation of a member of the Army, Navy, Air Force, or Marine Corps in an arrest or similar activity.

“(3) Assistance may not be provided under this section by an element of the Department of Defense if the provision of such assistance will adversely affect the military preparedness of the United States.

“(4) The Secretary of Defense shall prescribe regulations governing the exercise of authority under this section by elements of the Department of Defense, including regulations relating to the protection of sources and methods in the exercise of such authority.

“(c) DEFINITIONS.—For purposes of subsection (a):

“(1) The term ‘United States law enforcement agency’ means any department or agency of the Federal Government that the Attorney General designates as law enforcement agency for purposes of this section.

“(2) The term ‘United States person’ means the following:

“(A) A United States citizen.

“(B) An alien known by the intelligence agency concerned to be a permanent resident alien.

“(C) An unincorporated association substantially composed of United States citizens or permanent resident aliens.

“(D) A corporation incorporated in the United States, except for a corporation directed and controlled by a foreign government or governments.”.

(b) CLERICAL AMENDMENT.—The table of contents for that Act is amended by inserting after the item relating to section 105 the following new item:

“Sec. 105A. Assistance to United States law enforcement agencies.”.

SEC. 815. APPOINTMENT OF OFFICIALS RESPONSIBLE FOR INTELLIGENCE-RELATED ACTIVITIES.

(a) IN GENERAL.—Section 106 of the National Security Act of 1947 (50 U.S.C. 403-6) is amended to read as follows:

“APPOINTMENT OF OFFICIALS RESPONSIBLE FOR INTELLIGENCE-RELATED ACTIVITIES

“SEC. 106. (a) CONCURRENCE OF DCI IN CERTAIN APPOINTMENTS.—(1) In the event of a vacancy in a position referred to in paragraph (2), the Secretary of Defense shall obtain the concurrence of the Director of Central Intelligence before recommending to the President an individual for appointment to the position. If the Director does not concur in the recommendation, the Secretary may make the recommendation to the President without the Director’s concurrence, but shall include in the recommendation a statement that the Director does not concur in the recommendation.

“(2) Paragraph (1) applies to the following positions:

“(A) The Director of the National Security Agency.

“(B) The Director of the National Reconnaissance Office.

“(C) The Director of the National Imagery and Mapping Agency.

“(b) CONSULTATION WITH DCI IN CERTAIN APPOINTMENTS.—(1) In the event of a vacancy in a position referred to in paragraph (2), the head of the department or agency having jurisdiction over the position shall consult with the Director of Central Intelligence before appointing an individual to fill the vacancy or recommending to the President an individual to be nominated to fill the vacancy.

“(2) Paragraph (1) applies to the following positions:

“(A) The Director of the Defense Intelligence Agency.

“(B) The Assistant Secretary of State for Intelligence and Research.

“(C) The Director of the Office of Nonproliferation and National Security of the Department of Energy.

“(3) In the event of a vacancy in the position of the Assistant Director, National Security Division of the Federal Bureau of Investigation, the Director of the Federal Bureau of Investigation shall provide timely notice to the Director of Central Intelligence of the recommendation of the Director of the Federal Bureau of Investigation of an individual to fill the position in order that the Director of Central Intelligence may consult with the Director of the Federal Bureau of Investigation before the Attorney General appoints an individual to fill the vacancy.”.

(b) CLERICAL AMENDMENT.—The table of contents for that Act is amended by striking out the item relating to section 106 and inserting in lieu thereof the following new item:

“Sec. 106. Appointment of officials responsible for intelligence-related activities.”.

SEC. 816. STUDY ON THE FUTURE OF INTELLIGENCE COLLECTION.

(a) STUDY.—The Director of Central Intelligence shall, in consultation with the Deputy Secretary of Defense, conduct a study on the future of intelligence collection. The study shall address whether collection resources can be managed in a more consolidated, integrated manner. The study is not limited to, but should include, specific examination of the following:

(1) Establishing within the Intelligence Community a single agency with responsibility for—

(A) the clandestine collection of intelligence through human sources and other clandestine techniques;

(B) covert action; and

(C) representing the Director of Central Intelligence in liaison with foreign intelligence and security services.

(2) Establishing a single agency for the conduct of technical intelligence collection activities, including—

(A) signals intelligence (SIGINT), imagery intelligence (IMINT), and measurement and signatures intelligence (MASINT);

(B) first-phase (or initial) exploitation of the results of such collection;

(C) dissemination of such collection in a timely manner;

(D) development of processing and exploitation technologies to support these functions; and

(E) serving as the sole agent within the Intelligence Community for—

(i) the specification of technical requirements for such reconnaissance systems as may be needed to meet the signals intelligence, imagery intelligence, and measurement and signatures intelligence collection requirements of the Intelligence Community; and

(ii) the operation and final disposition of such systems.

(3) Establishing a single agency—

(A) to serve as the sole agent within the Intelligence Community for the conduct of research, development, test, and evaluation, for procurement, and for launch of satellite reconnaissance systems that may be required to satisfy the intelligence collection requirements of the Intelligence Community; and

(B) to serve as the primary agent within the Intelligence Community for the conduct of research, development, test, evaluation and for procurement of reconnaissance, surveillance, and sensor systems, including airborne and maritime reconnaissance capabilities within the National Foreign Intelligence Program and the Joint Military Intelligence Program.

(b) CRITERIA.—The study under subsection (a) shall—

(1) take into account current and future technological capabilities and intelligence requirements;

(2) take into account the costs and benefits associated with establishing each of the agencies described in paragraphs (1) through (3) of subsection (a) as well as the costs and benefits of maintaining the current system of distinct “collection stovepipes”; and

(3) examine establishing each of the agencies described in paragraphs (1) through (3) of subsection (a) both on their individual merits and also with a view toward having such agencies co-exist as an entire new organizational structure.

(c) REPORT.—Not later than April 15, 1997, the Director of Central Intelligence shall submit a report on the study to the following:

(1) The President.

(2) The Secretary of Defense.

(3) The Select Committee on Intelligence and the Committee on Armed Services of the Senate.

(4) The Permanent Select Committee on Intelligence and the Committee on National Security of the House of Representatives.

SEC. 817. INTELLIGENCE RESERVE CORPS.

(a) REPORT ON CORPS.—Not later than four months after the date of the enactment of this Act, the Director of Central Intelligence shall submit to the appropriate committees of Congress a report on the Surge Augmentation Program to provide for an Intelligence Reserve Corps to serve as a surge or augmentation resource for the Intelligence Community. The report shall include such recommendations for legislation as the Director considers appropriate.

(b) APPROPRIATE COMMITTEES DEFINED.—In this section, the term “appropriate committees of Congress” means the following:

(1) The Committee on Governmental Affairs and the Select Committee on Intelligence of the Senate.

(2) The Committee on Government Reform and Oversight and the Permanent Select Committee on Intelligence of the House of Representatives.

TITLE IX—FINANCIAL MATTERS

SEC. 901. AUTHORIZATION OF FUNDING PROVIDED BY 1996 SUPPLEMENTAL APPROPRIATIONS ACT.

Amounts obligated or expended for intelligence or intelligence-related activities based on and otherwise in accordance with the appropriations provided by the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134), including any such obligations or expenditures occurring before the enactment of this Act, shall be deemed to have been specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) and are hereby ratified and confirmed.

And the Senate agree to the same. From the Permanent Select Committee on Intelligence, for consideration of the House bill and the Senate amendment, and modifications committed to the conference:

LARRY COMBEST,
ROBERT K. DORNAN,
BILL YOUNG,

JAMES V. HANSEN,
JERRY LEWIS,
PORTER J. GOSS,
BUD SHUSTER,
BILL MCCOLLUM,
MICHAEL N. CASTLE,
NORMAN D. DICKS,
BILL RICHARDSON,
JULIAN C. DIXON,
ROBERT TORRICELLI,
RONALD D. COLEMAN,
DAVID SKAGGS,
NANCY PELOSI,

From the Committee on National Security, for consideration of defense tactical intelligence and related agencies:

BOB STUMP,
FLOYD SPENCE,

Managers on the Part of the House.

ARLEN SPECTER,
DICK LUGAR,
RICHARD SHELBY,
MIKE DEWINE,
JON KYL,
J.M. INHOFE,
KAY BAILEY HUTCHISON,
BILL COHEN,
HANK BROWN,
BOB KERREY,
JOHN GLENN,
RICHARD H. BRYAN,
BOB GRAHAM,
JOHN F. KERRY,
MAX BAUCUS,
J. BENNETT JOHNSTON,
CHARLES S. ROBB,

From the Committee on Armed Services:

STROM THURMOND,
SAM NUNN,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3259) to authorize appropriations for fiscal year 1997 for intelligence and the intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION FOR APPROPRIATIONS

Section 101 of the conference report lists the departments, agencies, and other elements of the United States Government for whose intelligence and intelligence-related activities the Act authorize appropriations for fiscal year 1997.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS

Section 102 of the conference report makes clear that the details of the amounts authorized to be appropriated for intelligence and intelligence-related activities and applicable

personnel ceilings covered under this title for fiscal year 1997 are contained in a classified Schedule of Authorizations. The Schedule of Authorizations is incorporated into the Act by this section. The details of the Schedule are explained in the classified annex to this report.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS

Section 103 of the conference report authorizes the Director of Central Intelligence, with the approval of the Director of the Office of Management and Budget, in fiscal year 1997 to exceed the personnel ceilings applicable to the components of the Intelligence Community under section 102 by an amount not to exceed two percent of the total of the ceilings applicable under section 102. The Director may exercise this authority only when doing so is necessary to the performance of important intelligence functions. Any exercise of this authority must be reported to the two intelligence committees of the Congress.

The conferees emphasize that the authority conferred by Section 103 is not intended to permit the wholesale raising of personnel strength in any intelligence component. Rather, the section provides the Director of Central Intelligence with flexibility to adjust personnel levels temporarily for contingencies and for overages caused by an imbalance between hiring of new employees and attrition of current employees. The conferees do not expect the Director of Central Intelligence to allow heads of intelligence components to plan to exceed levels set in the Schedule of Authorizations except for the satisfaction of clearly identified hiring needs which are consistent with the authorization of personnel strengths in this bill. In no case is this authority to be used to provide for positions denied by this bill.

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT

Section 104 of the conference report authorizes appropriations for the Community Management Account of the Director of Central Intelligence and sets the personnel end-strength for the Intelligence Community Management Staff for fiscal year 1997.

Subsection (a) authorizes appropriations of \$131,116,000 for fiscal year 1997 for the activities of the Community Management Account (CMA) of the Director of Central Intelligence. This amount includes funds identified for the Advanced Research and Development Committee, which shall remain available for two years.

Subsection (b) authorizes 303 full-time personnel for the Community Management Staff for fiscal year 1997 and provides that such personnel may be permanent employees of the Staff or detailed from various elements of the United States Government.

Subsection (c) requires that personnel be detailed on a reimbursable basis except for temporary situations of less than one year.

Subsection (d) authorizes \$27,000,000 of the total CMA to be made available for the National Drug Intelligence Center (NDIC) in Johnstown, Pennsylvania. Subsection (d) is similar to section 104(e) of the House bill. The House bill authorized 35 positions at NDIC to be funded in the National Foreign Intelligence Program (NFIP). The conferees agreed that these positions will continue to be funded in the Department of Defense Community Management Account.

The Attorney General and the DCI have agreed to designate the NDIC as an element of the intelligence community, pursuant to section 3(4)(J) of the National Security Act of 1947, and accordingly the DCI shall approve the NDIC budget before its incorporation into the NFIP, pursuant to Section 104(b) of the National Security Act. The conferees anticipate that, as with the budget for the National Security Division of the FBI,

the DCI will ordinarily approve the Attorney General's proposed budget for the NDIC without change or will make changes in the NDIC budget only after consultation with the Attorney General. Moreover, even though NDIC will be funded in the NFIP, the conferees emphasize that the DCI should not exercise direction or control over the operations of the NDIC. The conferees note that section 103(d)(1) of the National Security Act provides that the Central Intelligence Agency shall have no "law enforcement powers." Although section 103(d)(1) specifically applies only to the CIA and not to the DCI, because the DCI is both head of the intelligence community and head of the CIA, the conferees believe it is important that the DCI not appear to be involved in managing law enforcement activities. Accordingly, section 104(d) of the conference report makes clear that amounts appropriated for the NDIC may not be used in contravention of section 103(d)(1) of the Act.

Subsection (e) authorizes \$18,000,000 of the total CMA to be made available for the Environmental Intelligence and Applications Program, formerly known as the Environmental Task Force, to remain available for two years.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS

Section 201 authorizes appropriations in the amount of \$184,200,000 for fiscal year 1997 for the Central Intelligence Agency Retirement and Disability Fund.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW

Section 301 of the conference report provides that appropriations authorized by the conference report for salary, pay, retirement, and other benefits for federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law. Section 301 is identical to section 301 of the House bill and section 301 of the Senate amendment.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES

Section 302 provided that the authorization of appropriations by the conference report shall not be deemed to constitute authority for the conduct of any intelligence activity that is not otherwise authorized by the Constitution or laws of the United States. Section 302 is identical to section 302 of the House bill and section 302 of the Senate amendment.

SEC. 303. LIMITATION OF AVAILABILITY OF FUNDS FOR AUTOMATIC DECLASSIFICATION OF RECORDS OVER 25 YEARS OLD

Section 303 limits the availability of funds authorized to be appropriated in the National Foreign Intelligence Program to \$27.2 million for the purpose of carrying out Section 3.4 of Executive Order 12958, which directs the automatic declassification of documents older than 25 years. The provision is similar to section 303 of the House bill. The Senate amendment contained no similar provision.

The conferees urge the Director of Central Intelligence to appoint one individual within the Community Management Staff to oversee programs to implement Section 3.4 in the intelligence community. This individual should be charged with ensuring the programs are making progress on the substantial task ahead of declassifying thousands of older documents while adequately protecting intelligence sources and methods. The individual should coordinate the preparation by the individual NFIP programs of the pro-

grams' FY 1998 budget requests for funds to implement Section 3.4.

SEC. 304. APPLICATION OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES

Section 304 of the conference report extends until January 6, 1998 the authority granted by section 303 of the Intelligence Authorization Act for Fiscal Year 1996 for the President to stay the imposition of an economic, cultural, diplomatic, or other sanction or related action when the President determines and reports to Congress that to proceed without delay would seriously risk the compromise of an intelligence source or method or an ongoing criminal investigation. Section 304 is identical to Section 303 of the Senate amendment and similar to section 304 of the House bill.

SEC. 305. EXPEDITED NATURALIZATION

Section 305 provides for naturalization of certain applicants without their having met the normal statutory requirements relating to continuous residency and physical presence in the United States and lack of recent affiliation with the Communist Party or other totalitarian organization. The section would apply to the spouse, son, or daughter of a deceased alien whose death resulted from the intentional and unauthorized disclosure of classified information (such as by convicted spy Aldrich Ames) regarding the alien's participation in U.S. intelligence activities. Existing law provides for expedited naturalization for aliens who themselves have made extraordinary contributions to the national security of the United States or to U.S. intelligence activities.

Naturalization benefits under this provision would have to be approved by the Director of Central Intelligence, the Attorney General, and the Commissioner of Immigration and Naturalization. Expedited naturalization would not be available, however, to aliens whom the Attorney General determines to have engaged in racial, religious, ethnic, or political persecution or to constitute a danger to the community or to the security of the United States.

Section 305 is identical to Section 305 of the House bill. The Senate amendment had no similar provision.

SEC. 306. SENSE OF THE CONGRESS ON INTELLIGENCE IDENTITIES PROTECTION ACT

Section 306 expresses the sense of the Congress that the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) should be enforced by appropriate law enforcement agencies. The provision is identical to Section 306 of the House bill. The Senate amendment had no similar provision.

The Intelligence Identities Protection Act makes it a crime for anyone with authorized access to classified information identifying a covert agent of the United States to disclose any information identifying that agent to an individual not authorized to receive classified information, knowing that information identifies the covert agent and that the U.S. is taking affirmative measures to conceal such covert agent's intelligence relationship to the United States.

The conferees believe the Act should be enforced. The provision reflects concern about the apparent unwillingness of the Department of Justice to enforce the Act in several recent cases involving public officials and journalists. The conferees recognize that the decision whether to bring a prosecution under the Identities Act involves careful consideration of: whether each element of the offense can be proven; in those cases in which it is determined that each element of the offense can be proven, the need to deter future unauthorized disclosures; and an assessment of the risk of additional disclosures of classified information at trial. The conferees believe the Classified Information Procedures Act, enacted by Congress in 1980, can

be used effectively to lessen the risks with using classified information in criminal trials. The conferees further believe that concerns about possible additional disclosures at trial should not be the sole determinant of whether the Identities Act is enforced.

In addition to the disclosures of agent identities, the conferees are concerned about the apparent increase in the public disclosure of sensitive national security information generally. These disclosures have placed lives at risk and, in at least one instance, may have contributed to a number of deaths. The intelligence oversight committees have expressed intense concern to both the DCI and the Justice Department and will continue to exercise appropriate oversight into the measures and policies for safeguarding sensitive information.

SEC. 307. INTELLIGENCE COMMUNITY PROCUREMENT

Section 307 expresses the sense of the Congress that the Director of Central Intelligence should continue to direct elements of the intelligence community to award contracts in a manner that would maximize the procurement of products produced in the United States, when such action is compatible with the national security interests of the United States, consistent with operational and security concerns, and fiscally sound. A provision similar to Section 307 has been contained in previous intelligence authorization acts. Section 307 is similar in intent to Sections 307 through 309 of the House bill. The Senate amendment had no similar provision.

SEC. 308. RESTRICTIONS ON INTELLIGENCE SHARING WITH THE UNITED NATIONS

Section 308 reflects the desire of the conferees to improve oversight over the sharing of U.S. intelligence with the United Nations and the safeguarding of such intelligence by the U.N. through improved security practices. The provision prohibits sharing of intelligence with the U.N. unless the President certifies that (1) procedures are in place to protect information provided from unauthorized disclosure of U.S. intelligence sources and methods, or (2) that providing such information is in the U.S. national interest. It also requires the President to provide semi-annual reports to Congress on the types and volume of intelligence information provided to the U.N. and to report to Congress any unauthorized disclosure of intelligence information provided.

The provision is identical to Section 310 of the House bill. The Senate amendment had no similar provision.

SEC. 309. PROHIBITION ON USING JOURNALISTS AS AGENTS OR ASSETS

Section 309 of the conference report would codify as policy of the United States that the intelligence community may not use as an agent or asset for intelligence collection purposes any individual who is either: authorized by contract or the issuance of press credentials to represent himself or herself, either in the United States or abroad, as a correspondent of a United States news media organization or is officially recognized by a foreign government as a representative of a United States media organization. The prohibition against the use of such individuals as intelligence agents or assets is not to exclude the voluntary cooperation of any person who is aware that the cooperation is being provided to an element of the intelligence community. Additionally, under such procedures as the President shall promulgate, the prohibition against the use of journalists may be waived by either the President or the Director of Central Intelligence (DCI) if he or she determines in writing that

the waiver is necessary to address the overriding national security interests of the United States. The congressional intelligence committees shall be notified of any waivers provided under this section.

Section 309 is similar to section 311 of the House bill. The Senate amendment did not contain a similar provision.

The conferees recognize the dangers faced by journalists working overseas if they are suspected of being spies. Section 309 is intended to mitigate that danger to the maximum extent possible while providing the flexibility to deal with those extremely rare circumstances in which the national security interests of the United States can best be promoted by utilizing the voluntary cooperation of a journalist.

SEC. 310. REPORT ON INTELLIGENCE COMMUNITY POLICY ON PROTECTING THE NATIONAL INFORMATION INFRASTRUCTURE AGAINST STRATEGIC ATTACKS

Section 301 requires the DCI to submit a report to Congress on the threats to the national information infrastructure from information warfare and other nontraditional attacks by foreign nations, groups, or individuals or other groups or individuals. Section 310 is similar to Section 719 of the Senate amendment except for drafting modifications. The House bill did not contain a similar provision.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. ELIMINATION OF DOUBLE SURCHARGE ON THE CENTRAL INTELLIGENCE AGENCY RELATING TO EMPLOYEES WHO RETIRE OR RESIGN IN FISCAL YEAR 1998 OR 1999 AND WHO RECEIVE VOLUNTARY SEPARATION INCENTIVE PAYMENTS

Section 401 corrects a discrepancy in existing law which currently requires the CIA to make double payments to the Civil Service Retirement and Disability Fund for those Agency employees who take an early retirement. Section 4(a) of the Federal Workforce Restructuring Act (FWRA) requires agencies that offer retirement incentives, including CIA, to pay to the Fund 9 percent of the final basic pay of each employee who takes an early retirement. In addition, section (2)(i) of the CIA Voluntary Separation Pay Act (CVSPA), enacted as part of the Intelligence Authorization Act for Fiscal Year 1996, requires the CIA to make a 15 percent payment for each employee who takes an early retirement.

It was not Congress' intent to have CIA make double payments totalling 24 percent to the Fund. Accordingly, Section 401 of the conference report provides that the 15 percent payment CIA is required to pay under CVSPA is in lieu of the 9 percent payment required under the FWRA.

Section 401 is identical to section 402 of the House bill. The Senate amendment did not contain a similar provision.

SEC. 402. POST-EMPLOYMENT RESTRICTIONS

Section 402 of the conference report requires the Director of Central Intelligence to issue regulations requiring designated employees of the Central Intelligence Agency to sign written agreements committing not to represent or advise, for a period of three years after that employee's termination of employment with the CIA, the government or political party of any foreign country.

Section 402 is similar to Section 304 of the Senate amendment. The House bill did not contain a similar provision. The conferees agreed to a provision that is narrower than the Senate amendment in two respects. First, the written agreements would be required only of certain designated officials. The conferees expect that the DCI would designate senior Agency officials or others who have had significant contact with foreign

governments such that their representation of a foreign government immediately after their cessation of employment with the Agency might create the appearance of a conflict of interest. Second, the restrictions would apply only for a period of three years, rather than five, following the employee's departure from CIA. The conferees have also modified the provision to allow the DCI to permit an employee to represent or advise a foreign government if the DCI determines that it would be in the best interest of the United States (for example, to allow a former CIA employee to assist an allied government with which the U.S. has a close liaison relationship).

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. EXECUTIVE BRANCH OVERSIGHT OF BUDGETS OF ELEMENTS OF THE INTELLIGENCE COMMUNITY

Section 501 requires the President to submit a report to Congress on actions that have been taken to ensure adequate oversight by the executive branch of the budget and expenditures of the National Reconnaissance Office and other elements of the intelligence community within the Department of Defense. The provision is identical to Section 305 of the Senate amendment. The House bill did not contain a similar provision.

TITLE VI—FEDERAL BUREAU OF INVESTIGATION

SEC. 601. ACCESS TO TELEPHONE RECORDS

Section 601 amends Sections 2703 and 2709 of Title 18, United States Code to clarify that the "telephone toll billing records" which the Federal Bureau of Investigation may subpoena in certain law enforcement investigations include not only *long distance* but also *local* billing records. Section 601 also amends Section 2707 of Title 18 to allow courts to award punitive damages, and to institute disciplinary actions against employees of U.S. agencies or departments, for violations of Chapter 121 of Title 18.

Section 601 is identical to Section 401 of the Senate amendment. The House bill did not contain a similar provision.

TITLE VII—COMBATTING PROLIFERATION

Title VII contains a number of provisions relating to proliferation of weapons of mass destruction. Sections 711 through 717 establish and define the duties of a Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction. The eight members of the Commission are to be appointed by the President and the congressional leadership. The Commission is required to conduct a study of the organization of the federal government, including the intelligence community, for combatting weapons proliferation. Section 711 of the conference report sets forth a specific list of issues for the Commission to address. The Commission is required to submit a report to Congress not later than eighteen months after enactment of this legislation. The conferees modified Section 717 to provide that commission expenses shall be paid out of funds available to the DCI for the payment of compensation, travel allowances, and per diem of CIA employees.

Section 721 of the conference report requires the Director of Central Intelligence to submit a semiannual report to Congress on the acquisition by foreign countries of technology for the development of weapons of mass destruction and advanced conventional munitions.

Title VII of the conference report is similar to Title VI of the Senate amendment. The House bill contained no similar provision.

TITLE VIII—RENEWAL AND REFORM OF INTELLIGENCE ACTIVITIES

Title VIII of the conference report contains provisions intended to make the Intelligence Community operate more effectively and more efficiently in the post-Cold War world. These provisions would create two committees of the National Security Council, one to provide better guidance to the intelligence community and the other to provide senior-level guidance on issues raised by the intersection of law enforcement and intelligence, particularly relating to terrorism, narcotics trafficking, and weapons proliferation. In addition, provisions in this section strengthen the ability of the Director of Central Intelligence to manage the Intelligence Community by codifying his authority to participate in the development of the budgets for defense-wide and tactical intelligence and to concur or be consulted with respect to the appointments of the heads of the principal NFIP agencies. Giving the DCI a database of all intelligence activities and requiring all NFIP elements to submit periodic budget execution reports should enable the DCI to make better use of his existing authorities—given to him by Congress in 1992—to approve the budgets of NFIP elements and to transfer funds and personnel with the concurrence of affected agency heads. The conferees urge the DCI to be more assertive in using these authorities. The bill also establishes a new Senate-confirmed Deputy Director of Central Intelligence for Community Management and three new Senate-confirmed Assistant Directors of Central Intelligence to assist the DCI in managing the Intelligence Community. Finally, the conference report clarifies the authority of intelligence collection agencies to provide support to law enforcement agencies.

Title VIII is similar to Title VII of the Senate amendment. As originally reported by the Senate Intelligence Committee as part of S. 1718, Title VII would have given the DCI budget execution authority over most elements of the National Foreign Intelligence Program; authority to reprogram funds among NFIP programs over the objection of the affected department head; authority to manage the national collection activities of the intelligence community; and shared responsibility—with the Secretary of Defense—for managing the National Security Agency, the National Reconnaissance Office, and the Central Imagery Office. After extensive discussions with the Senate Armed Services Committee, the Senate Intelligence Committee agreed to drop or modify a number of these provisions.

Although the House bill, H.R. 3259, contained no similar provisions, the House Permanent Select Committee on Intelligence also undertook a major review of the roles, functions, and structure of the intelligence community during the 104th Congress. On April 9, 1996, the House Committee released a study entitled "IC21: Intelligence Community in the 21st Century," which set forth the findings and recommendations of the Committee staff. On June 13, 1996, the House Committee reported H.R. 3237, which would have enacted many of the recommendations of the staff study and would have made significant changes to the current organization of the intelligence community. The House National Security Committee, which took H.R. 3237 on sequential referral, deleted many of these provisions, and the bill was never brought to the House floor.

The conferees believe that the provisions of Title VIII will help ensure that various elements of the intelligence community operate more cohesively and without unnecessary duplication. That the conferees agreed to more limited organizational changes this

year does not mean that some of the more far-reaching changes proposed by S. 1718 and H.R. 3237 are without merit. To the contrary, the provisions in both bills were the culmination of exhaustive study by both committees as well as by the Commission on the Roles and Capabilities of the U.S. Intelligence Community, the 17-member congressionally chartered commission which submitted its report to Congress on April 1, 1996, and deserve further consideration. The conferees specifically agreed that the DCI should study the establishment of an Intelligence Community Reserve and that the DCI and the Secretary of Defense should study the feasibility of creating a single technical collection agency as well as other specified agencies—the creation of which was recommended by the IC-21 study. The conferees anticipate that some of the other provisions in S. 1718 and H.R. 3237 that were not enacted this year will be taken up again in the 104th Congress.

SECTION 801

Section 801 contains the short title VIII, the "Intelligence Renewal and Reform Act of 1996."

SECTION 802

Section 802 amends Section 101 of the National Security Act of 1947 to create a Committee on Foreign Intelligence of the National Security Council. Section 802 is identical to Section 702 of the Senate amendment.

SECTION 803

Section 803 amends Section 109 of the National Security Act to require the President to submit an annual report to Congress on U.S. intelligence requirements and priorities and the performance of the U.S. Intelligence Community. Section 803 is identical to Section 703 of the Senate amendment.

SECTION 804

Section 804 amends Section 101 of the National Security Act of 1947 to create a Committee on Transnational Threats of the National Security Council. Section 804 is identical to Section 704 of the Senate amendment.

The Committee on Transnational Threats would identify transnational threats; develop strategies to respond to them in a coordinated way; assist in resolving operational differences among federal departments and agencies; develop policies and procedures to ensure the effective sharing of information among federal departments and agencies, including between the law enforcement and foreign policy communities; and develop guidelines for coordination of federal law enforcement and intelligence activities overseas.

The conferees note, that in response to the growth in global crime and the increasing number of U.S. statutes with extraterritorial application, the Federal Bureau of Investigation is significantly expanding its presence and activities outside the United States. The conferees are interested in the growth of these activities and the degree to which Bureau investigations, recruitment of assets, liaison with foreign intelligence services, and operational activities are coordinated with U.S. intelligence agencies. Accordingly, the conferees direct that, beginning no later than February 1, 1997, the Director of the Federal Bureau of Investigation shall submit an annual report to the appropriate congressional committees regarding the activities of the Bureau outside the United States. The report shall specify the number of Bureau personnel posted or detailed outside the United States and the extent to which the Bureau plans to increase the number of such personnel and/or the scope of its overseas activities. The report should describe how Bu-

reau overseas investigations, asset handling, liaison, and operational activities are coordinated with the Intelligence Community, and the extent to which information derived from such activities is or will be shared with the Intelligence Community. The intelligence committees plan to monitor these matters closely.

SECTION 805

Section 705 of the Senate amendment would have amended Section 102 of the National Security Act of 1947 to add a new subsection (d) to establish an Office of the Director of Central Intelligence to include the DCI, the DDCI; the newly established positions of Assistant DCI for Collection, Assistant DCI for Analysis and Production, Assistant DCI for Administration, the National Intelligence Council, and such other offices as the DCI may designate.

The conferees agreed to accept the provisions in the Senate amendment with the addition of a new Deputy Director for Community Management (DDCI/CM), to whom the three new Assistant Directors would report. This DDCI for Community Management will be appointed by the President and confirmed by the Senate. This Deputy will work under the direction of the DCI and is responsible for assisting him in carrying out his responsibilities as head of the Intelligence Community. The DDCI/CM will manage a community management staff and direct community-wide functions, including personnel, resources, requirements, collection, research and development, and analysis and production.

The conferees recognize that there is always the potential that positions requiring Presidential appointment and Senate confirmation may be subject to inappropriate political pressures. This is of particular concern with respect to the Assistant Director of Central Intelligence for Analysis and Production. Nevertheless, the conferees believe the significant advantages in terms of stature and congressional oversight afforded by making this a confirmable position outweigh that potential concern. Moreover, the intelligence oversight committees will be vigilant in their efforts to ensure there is no politicization of these positions. The extensive focus on charges of politicization during the Senate confirmation of Robert Gates to be the DCI in 1991 demonstrates the seriousness with which the Congress views this issue. In reviewing potential nominees for any of the confirmable positions within the Intelligence Community and in the course of its oversight, the Congress will look carefully for any evidence that an individual has tailored his or her views to curry favor with the Administration or Congress, or that an individual has suffered retribution for failing to succumb to political pressure.

As amended by Section 805, section 102(d)(3) of the National Security Act directs the DCI to employ and utilize a professional staff to assist him in carrying out his community-wide responsibilities. This staff would be part of the Office of the DCI. The staff could, at the DCI's discretion, operate as a unit, or be divided among the Deputy Director for Community Management and the three new Assistant DCIs. The conferees anticipate that this staff would replace the functions of the current Community Management Staff and, while it should include some detailees from the Intelligence Community, would consist primarily of a core staff of career professionals.

Section 805 also transfer the current section 102(a)(1) of the National Security Act, which establishes the Central Intelligence Agency, to a new section 102A of the National Security Act. Section 102A would reference Section 103(d), which sets forth the

responsibilities of the Director of Central Intelligence as head of the CIA.

SECTION 806

Section 806, concerning the National Intelligence Council, is identical to Section 706 of the Senate amendment except that the NIC would also specifically be directed to evaluate intelligence community-wide collection and production activities.

SECTION 807

Section 807 strengthens the DCI's authorities as head of the intelligence community. It gives the DCI authority to participate in the development by the Secretary of Defense of the annual budgets for JMIP and TIARA; authority to approve collection requirements, determine collection priorities, and resolve conflicts in collection priorities levied on national collection assets; and the right to be consulted by the Secretary of Defense with respect to reprogrammings of funds within the JMIP.

The provision also directs the DCI and the Secretary of Defense to develop, no later than January 1, 1999, a database of all intelligence and intelligence-related programs and activities, which would specify the purpose of each program or activity and include information for past and future years on the types and quantities of resources planned, programmed, budgeted, and executed in support of specific objectives. The conferees noted that the Office of Science and Technology Policy within the White House has recently developed a database of all research and development activities within the federal government and that this database has been invaluable for identifying duplication among federal R&D programs. The conferees believe that the DCI has been hampered in his ability to manage the intelligence community by a lack of accurate and comprehensive information about all intelligence community activities. Development of a database for intelligence activities should give the DCI crucial analytical and supervisory tools he needs to provide better direction to and control over U.S. intelligence programs. The conferees have provided funding for the development of the database and urge the DCI and the Secretary of Defense to move ahead as quickly as possible.

Section 807 is similar to Section 707 of the Senate amendment. In addition to minor drafting changes, the provision has been modified to specifically require the DCI and the Secretary of Defense to prescribe guidelines to require reporting of budget execution data on all intelligence activities to the DCI and the Secretary of Defense. This is to ensure that this data is available to the DCI and Secretary of Defense during FY 1997 and is not held up pending development of the database.

In addition, a new subsection has been added requiring the DCI to submit an annual report to Congress, for the next three years, on the steps he has taken under Section 104(f) of the National Security Act to rotate personnel, and to consolidate personnel, administrative, and security programs, among intelligence community elements. The DCI was given this authority in 1992 but appears to be making little use of it.

SECTION 808

Section 808 is identical to Section 708 of the Senate amendment. The Section requires the DCI to submit to the Committee on Foreign Intelligence and the appropriate congressional committees an evaluation of the performance and responsiveness of the NSA, NRO, and NIMA in meeting their national missions.

SECTION 809

Section 809(a) of the conference report adds a new subsection (f) to Section 102 of the Na-

tional Security Act of 1947 to establish the position of Assistant Director of Central Intelligence for Collection. This position will be appointed by the President and confirmed by the Senate.

The ADCI for Collection will be one of three new Assistant Directors of Central Intelligence who will assist the DCI in carrying out his Community-wide management responsibilities. The ADCI for Collection will assist the DCI in carrying out his intelligence collection responsibilities. The ADCI for Collection will oversee all national intelligence collection activities, including identifying targets, setting priorities, and allocating resources where a particular intelligence collection discipline offers a comparative advantage. In performing this role, it is expected that the ADCI for Collection will be responsible for the effective and efficient operation of the interagency collection committees—including those focusing on IMINT, HUMINT, SIGINT, an MASINT—to ensure national collection requirements, priorities, and resources are consistent with intelligence consumer needs. Further, the ADCI for Collection will rely upon the ADCI for Analysis and Production for guidance on current collection requirements and for an assessment of the need for the acquisition of future collection capabilities. The ADCI for Collection will also assist in implementing the DCI's authorities regarding the procurement and operation of national collection systems under development by other agencies and assist the DCI in formulating plans and budgets of national collection activities.

Section 809(b) requires the DCI and the Deputy Secretary of Defense to submit, no later than 90 days after enactment of this Act, a report on their efforts to coordinate and, where practicable, consolidate the human intelligence collection activities of the clandestine collection elements of the Defense HUMINT Service and CIA's Directorate of Operations (DO). The conferees note that the Aspin-Brown Commission recommended that the clandestine HUMINT collection activities of the Defense HUMINT Service be consolidated into the DO. The report should address the desirability of such a consolidation.

SECTION 810

Section 810 adds a new section (g) to Section 102 of the National Security Act of 1947 to establish the position of Assistant Director of Central Intelligence for Analysis and Production. This position will be appointed by the President and confirmed by the Senate.

The ADCI for Analysis and Production will assist the DCI in overseeing analysis and production of intelligence by the Intelligence Community, establish priorities for analysis, and monitor the allocation of resources in order to eliminate unnecessary duplication in analysis and production thus ensuring timely delivery of intelligence products to consumers.

Intelligence analysis and production of analytical products is broadly dispersed across the Intelligence Community. Although some competitive analysis is necessary and some products are needed to serve only the needs of a single department or agency, most analysis supports the entire policy community. The DCI currently lacks an effective mechanism to review and supervise adequately intelligence analysis and production community-wide in order to ensure the most effective allocation of resources and to eliminate unnecessary duplication. Intelligence producers have worked together voluntarily to reduce overlaps, but the conferees believe that a better management structure is needed. The new ADCI for Analysis and Production would provide the basis for this struc-

ture. The conferees do not expect the ADCI for Analysis and Production to perform intelligence production functions or roles similar to those currently performed by the Chairman and members of the National Intelligence Council, CIA's Deputy Director for Intelligence, the Assistant Secretary of State for Intelligence & Research, or DIA's Director of Production.

SECTION 811

Section 811 adds a new subsection (h) to Section 102 of the National Security Act of 1947 to establish the position of Assistant Director of Central Intelligence for Administration. This position will be appointed by the President and confirmed by the Senate.

Numerous studies, including the Aspin-Brown Commission, have urged greater consolidation of personnel and administrative functions and use of common standards across the Intelligence Community. The largest agencies, nevertheless, continue to maintain separate administrative, personnel, security, and training systems. The Aspin-Brown Commission concluded "While the Commission is willing to accept that some latitude is needed for individual agencies to satisfy their unique requirements, we see no reason for all of these programs and activities to be administered separately, or, at least without greater uniformity." The conferees agree with this conclusion.

The role of the proposed ADCI for Administration would be to assist the DCI in bringing about this uniformity. The ADCI for Administration would coordinate the various personnel management systems, information systems, telecommunications systems, finance and accounting services, and security programs for the Intelligence Community. The conferees expect that the ADCI for Administration would also assist the DCI in exercising his authorities under Section 104(f) of the National Security Act to consolidate personnel, administrative, and security programs of Intelligence Community elements.

SECTION 812

Section 812 amends Section 5315 of Title 5, United States Code, to place the positions of Deputy Director of Central Intelligence and Deputy Director of Central Intelligence for Community Management at Executive Level III and the positions of Assistant Director of Central Intelligence for Collection, Assistant Director of Central Intelligence for Analysis and Production, Assistant Director of Central Intelligence for Administration, at Level IV of the Executive Schedule. Section 812 is similar to Section 712 of the Senate amendment.

SECTION 813

Section 813, which establishes the statutory position of General Counsel of the CIA, is identical to Section 713 of the Senate amendment, except that the conferees have modified the provision to provide that it shall take effect no later than six months from the date of enactment of this Act or upon the appointment of a General Counsel other than the individual occupying the position on the date of enactment of this Act, whichever is sooner. Thus, whoever occupies the non-statutory position of General Counsel at the time this provision is enacted may continue to occupy that position for up to six months after enactment before a formal nomination must be submitted to the Senate. Nothing in the provision would prevent the President from nominating the individual serving as non-statutory General Counsel at the time of enactment for the statutory General Counsel position. It is the intent of the conferees, however, that the President either nominate this individual to be the statutory General Counsel within six months of the date of enactment of this Act or, if

this individual leaves the position of non-statutory General Counsel in less than six months, that the President nominate another individual to fill the statutory General Counsel position.

The conferees do not intend in any way that the establishment of the statutory General Counsel position limit the ability of the CIA Inspector General to obtain independent legal advice from members of the IG's staff or to otherwise carry out the duties of that office as provided for in section 17 of the CIA of 1949 (50 USC 403q). However, where an IG determination or report includes a legal opinion that differs from that of the CIA's Office of General Counsel, that difference of opinion should be noted. This would apply to reports presented to the DCI, briefings for Congress, or any other context in which IG legal opinions are presented.

SECTION 814

Section 814 creates a new Section 105A of the National Security Act that authorizes intelligence community elements to collect information about non-U.S. persons outside the United States at the request of U.S. law enforcement agencies. The section is identical to Section 715 of the Senate amendment, except that the Defense Intelligence Agency has been added to the list of Department of Defense agencies to which this provision applies.

SECTION 815

Section 815 amends Section 106 of the National Security Act to require the DCI to concur in, or be consulted regarding, the appointment of the heads of the principal NFIP elements. Section 815 is identical to Section 716 of the Senate amendment, with two modifications.

First, the Director of the National Imagery and Mapping Agency has been added to the list of agency heads for which DCA concurrence is required. This authority had originally been included separately in provisions relating to the appointment of the Director of NIMA. The conferees note that the conference report accompanying the National Defense Authorization Act for Fiscal Year 1997 also codifies the DCI's authority to concur in the appointments of the heads of NSA, NRO, and NIMA in Section 201 of Title 10, U.S. Code. The DOD bill also requires the DCI to provide to the Secretary of Defense an annual evaluation of the performance of the heads of NSA, NRO, and NIMA in fulfilling their responsibilities under the NFIP.

In addition, the conferees have modified the original Senate language regarding DCI consultation on the Assistant Director, National Security Division of the Federal Bureau of Investigation. This individual is selected by the Attorney General upon the recommendation of the Director of FBI. The bill now calls for timely notice to the DCI of the Director of FBI's recommendation regarding this position. The conferees understand that for the purposes of this section timely notice means notice will be provided at a sufficiently early stage in the process that consultation is still meaningful and that the DCI will be provided sufficient time to respond to the notification prior to the recommendation being forwarded to the Attorney General. At the same time, the DCI should not use this opportunity for consultation as a means of delaying this process.

The conferees also emphasize that, by requiring the DCI to be consulted regarding the appointment of the head of the FBI's National Security Division, they do not intend to give the DCI control over FBI law enforcement activities. Nevertheless, the head of the National Security Division manages a significant portion, both in budgetary and substantive terms, of the NFIP, and the conferees believe it is wholly appropriate that

the DCI have some voice in his or her appointment.

SECTION 816

Section 816 of the conference report directs the DCI, in consultation with the Deputy Secretary of Defense, to study the appropriate organization and management of intelligence collection for the future. A report on the study is to be forwarded to the President, the Secretary of Defense, and the appropriate Congressional committees no later than April 15, 1997. The conferees expect that the Assistant DCI for Collection will manage the production of this study on behalf of the DCI.

The study should examine how the Intelligence Community's collection apparatus can best function in the future, and not merely perform an examination of the effectiveness of the Intelligence Community at present or in the recent past, except to the extent such an examination illuminates the direction that must be taken in the future. The section specifies that the study must specifically include, but need not be limited to, feasibility studies of three changes to the current Intelligence Community structure: (1) the establishment of a Clandestine Service; (2) the establishment of a Technical Collection Agency; and (3) the establishment of a Technology Development Office.

The study should consider the merits of establishing a Clandestine Service responsible for the clandestine collection of intelligence through human sources and other clandestine means; the carrying out of covert action as directed by the President; and acting as the DCI's principal entity in carrying out liaison with foreign intelligence and security services. The study should keep in mind that this particular entity, the Clandestine Service (unlike the others under consideration), would have roles and missions outside the realm of intelligence collection. The study should also pay particular attention to the fact that a Clandestine Service's activities are, generally speaking, intrinsically risky and require the close oversight of the DCI. The study should also consider how military personnel might be integrated into a Clandestine Service in a manner allowing their proper career development and their being able to function as clandestine collectors under operational guidelines developed under DCI authorities.

The study should consider the costs and benefits associated with consolidating technical collection activities and exploitation into a single agency, not necessarily in one physical location but under a unified management structure. This agency would include all current signals intelligence, imagery intelligence and measurement and signatures intelligence collection and time-sensitive exploitation activities, including the operation of satellite collection systems. The study should consider whether consolidation would improve synergistic collection at the operator level, integrate multi-source tasking at the collection management level, and achieve cross-discipline trade-offs at the resources management level. The study should consider in particular how the agency as proposed would further or hinder these goals, and whether such a consolidation would further or hinder other identified goals for intelligence collection. This study should also examine whether the first-phase analysts exploiting the data collected for time-sensitive reporting should be integrated with the all-source analytical community and, if so, how.

The study should also consider the costs and benefits of consolidating research, development and acquisition activities for reconnaissance systems into a single agency responsible primarily for space-based, airborne

and maritime reconnaissance systems. The study should consider whether consolidation would improve coherent development and complementary architectures, particularly in the space and air realms; promote development of common ground processing and dissemination capabilities; reduce unnecessary duplication; and promote the sharing of appropriate technologies.

Section 816 is a new provision. No similar provision was included in either the House bill or Senate amendment.

SECTION 817

Section 817 of the conference report requires the DCI to submit a report within four months of enactment describing the current efforts to establish a Surge Augmentation Program and making appropriate legislative recommendations.

The conferees believe that significant reductions in personnel and other resources throughout the Intelligence Community over the past few years, combined with significant increases in the need for intelligence information, have created a shortfall in analytic resources, especially in the areas of all-source analysis and linguists. Ad hoc crises, such as Rwanda and Somalia, further underscore the need for the Intelligence Community to be flexible enough to "surge" resources to meet immediate needs and to have a capability to augment existing resources in order to develop and maintain a worldwide "base" of knowledge. Such an intelligence "base" should allow for identification of trends and other changes that could portend future actions by U.S. policy makers. This warning function becomes critical both to the policy maker by providing adequate time to manage an impending situation before it develops into a crisis and to the military commander in cases where the proper policy response includes military activity. DCI Deutch has been addressing the same concerns in his "Hard Target/Global Coverage" efforts.

The conferees note that it is unlikely that internal Intelligence Community resources will ever be robust enough to meet all of the requirements that will be levied on them. The ability to augment existing resources with individuals who have intelligence experience and/or have maintained a level of substantive knowledge could prove invaluable in addressing what appears to be an ongoing pattern of small, often regional crises and situations. In this respect, a port of the Surge Augmentation Program, or "Intelligence Community Reserve," could operate similarly to existing military intelligence reserve resources, with periodic training and service within the Community in order to maintain expertise. In some cases, individuals who are our country's experts in certain areas are likely to be outside of the Intelligence Community—in industry or academia, for example—and should remain so in order to maintain their level of knowledge and contacts worldwide. In those cases, however, it would be extremely beneficial for the Intelligence Community to have access to this knowledge on an occasional basis. Although it is not envisioned that someone outside of the Intelligence Community would be asked to "serve" the Intelligence Community Reserve in the same capacity as those individuals who have had a prior association, it is envisioned that these "experts" might be held on a type of retainer requiring them to notify the Intelligence Community on a regular basis of significant trends and changes in their issue area. In addition, particular attention should be paid to building a linguistic "surge" capability, especially in more unique or less known languages, for use during crisis periods. Finally, the conferees believe that the Intelligence Community Reserve should be managed and funded at the

Community level, ensuring that all valid "surge" requirements by all agencies/offices within the Intelligence Community are planned for and addressed as necessary.

Due to the complexities of issues such as pay, security, training and support, the conferees are not establishing the Reserve in legislation at this time. Instead, the DCI is directed to provide a report on current efforts and any legislation that might be considered by Congress.

Finally, the conferees note that the Intelligence Community Reserve is not envisioned as a panacea for addressing shortfalls in intelligence analytical expertise. Clearly, specific attention must be paid toward maintaining an experienced analytic workforce in specific subject areas that are of national security and policy concern.

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 901. AUTHORIZATION OF FUNDING PROVIDED BY 1996 SUPPLEMENTAL APPROPRIATIONS ACT

Section 901 of the conference report is identical to section 601 of the House bill. The Senate amendment did not contain a similar provision. The section provides that funds appropriated as part of the supplemental appropriation in the Omnibus Consolidated Rescissions and Appropriations Act of 1996 for intelligence, and intelligence-related activities in Bosnia shall be deemed to be specifically authorized for purposes of Section 504 of the National Security Act.

Provisions not included in the Conference Report

Multiyear leasing

Section 401 of the House bill would have amended the Central Intelligence Agency Act of 1949 to authorize the CIA to enter into multiyear leases for buildings and other facilities. However, an amendment added on the House floor would have required that the leases be fully funded in advance. As this requirement would have vitiated the effectiveness of the provision, the conferees agreed to drop it.

Intelligence Community personnel reforms

On April 23, 1996 DCI Deutch unveiled a CIA human resources reform initiative that will affect Intelligence Community personnel at the CIA and in various DoD agencies. The presentation of the personnel reform package had been long awaited by both intelligence committees as the DCI had stated on numerous occasions the priority he was attaching to revamping an ancient and antiquated personnel system. The sweeping nature of the CIA human resources reform proposal and the initial lack of specificity concerning its contents led the House Committee to include a provision in its bill (Section 403) to prevent expenditure of any funds until the Congress was fully briefed. The Senate amendment did not contain a similar provision. The CIA has now provided extensive briefings to both committees regarding its program; therefore, the conferees have agreed to drop the House provision.

The conferees have provided funding for the CIA personnel reform initiative albeit at a level substantially below the requested amount. The funding level is contained in the classified schedule of authorizations. The conferees concur with the CIA's view that the initial priorities should be the acquisition and installation of a new Human Resources Information System, the completion of a job skills analysis and implementation of associated training and educational programs.

The conferees initially understood that the CIA would issue a "Request for Proposal" (RFP) for the Human Resources Information System software component, but without informing the Congress, the CIA changed course and decided not to compete the con-

tract. It is the view of the conferees that RFP's help to immunize the CIA from potential protests and enable the CIA, in the most transparent way possible, to identify the best contractor at the lower cost. Apparently, following a refinement of the requirements and the completion of an exhaustive market survey of the various software packages available, it was determined that only one vendor met and demonstrated the CIA's software requirements. Thus, the CIA expects to issue a single source contract in keeping with standard contracting procedures. It is the conferees understanding that the single source contract is for the acquisition of the software package only and that the systems integration, systems engineering and implementation components of the Human Resources Information System will be competitively bid. The conferees expect to be kept fully and currently informed of this process.

FOIA exemptions for certain defense agencies

Section 501 of the House bill would have amended and consolidated the information disclosure statutes for the Defense Intelligence Agency (DIA) and the National Reconnaissance (NRO), 10 U.S.C. 424 and 425 respectively, to permit the two organizations to withhold from release in response to Freedom of Information Act (FOIA) requests unclassified information relating to those agencies' organization, functions, and personnel. The Senate amendment did not contain a similar provision. The House recedes.

The conferees note that Section 1112 of the National Defense Authorization Act for Fiscal Year 1997 included a provision, added at conference, that is similar to Section 501 of the House bill but that covers personnel and organizational information of the National Imagery and Mapping Agency (NIMA) as well as of NRO and DIA. The conferees agree that it is legitimate to protect from disclosure personnel information relating to DIA, NRO, and NIMA because their employees may be counterintelligence targets. But the conferees have some reservations about providing a blanket exemption against disclosure of unclassified information about the organization and functions of these agencies. The conferees note that, when the NRO's information disclosure statute was enacted in 1992, Congress specifically declined to extend the provision to cover unclassified organizational information about the NRO.

The conferees understand that the Senate Armed Services Committee and the House National Security Committee may reconsider whether the blanket exemption for all organizational and functional information is appropriate. In the interim, the conferees urge DIA, NRO, and NIMA to use the exemption sparingly to protect only that information which is truly sensitive and not as a reason to deny all FOIA requests for information about their organization or functions.

Tier III Minus UAV

Section 502 of the House bill authorized an additional \$22 million for the Tier III minus unmanned aerial vehicle. The Senate amendment did not contain a similar provision. The authorization level for this program has been included in the Classified Schedule of Authorizations, and accordingly the conferees agreed that the provision is not necessary.

Economic espionage

Title V of the Senate amendment contained provisions criminalizing theft of economic proprietary information undertaken on the behalf of, or with the intent benefit, a foreign government or its agent. The House bill did not contain similar provisions.

This legislation was initially introduced by Senator Arlen Specter and Senator Herb

Kohl as S. 1557 (the Economic Espionage Act), along with additional legislation, S. 1556 (the Industrial Espionage Act), to provide a broader criminal statute for general industrial espionage. The provisions of S. 1557 were then adopted by the Senate Select Committee on Intelligence as part of S. 1718, the Intelligence Authorization Act for fiscal year 1997. Subsequent to the SSCI action on this provision, the Senate and House adopted legislation encompassing provisions similar to both the Economic Espionage Act and the Industrial Espionage Act. Thus, the conferees agreed to drop this provision from the Intelligence Authorization Act.

Budget disclosure

Section 718 of the Senate amendment contained a provision requiring the President, as part of his annual budget submission to Congress, to provide in unclassified form the total amount appropriated by Congress for all intelligence and intelligence-related activities during the current fiscal year and the total amount requested in the budget for the next fiscal year. The House bill contained no similar provision. The Senate agreed to recede to the House.

Office of Congressional Affairs of the DCI

Section 714 of the Senate amendment would have established an Office of Congressional Affairs of the DCI to coordinate the congressional affairs activities of the various elements of the Intelligence Community. The House bill contained no similar provision. The conferees have decided not to require the creation of this office in statute. The conferees agree, however, that there is occasionally a need for a coordinated Community response to Congressional inquiries and recommend that the DCI specifically designate the Director of the Office of Congressional Affairs within the CIA as the focal point for such inquiries from Congress. The conferees do not intend by this recommendation to preclude the individual offices of congressional affairs within the elements of the Intelligence Community from responding directly to requests from the congressional committees.

National Imagery and Mapping Agency

Section 801 of the Senate amendment would have added a new section to the National Security Act specifying the national museum and collection tasking authority for the new National Imagery and Mapping Agency. The House bill contained no similar provisions.

The conferees noted that Section 1112 of the National Defense Authorization Act for Fiscal Year 1997, which establishes and sets forth the missions for NIMA, contains similar provisions. These provisions were added to the Senate version of the Act by the Senate Intelligence Committee, which took the Senate bill on sequential provisions from the Senate Armed Services Committee in order to examine the provisions relating to NIMA. Accordingly, the conferees agreed to exclude Section 801 from the conference report.

From the Permanent Select Committee on Intelligence, for consideration of the House bill and the Senate amendment, and modifications committee to the conference:

LARRY COMBEST,
ROBERT K. DORNAN,
BILL YOUNG,
JAMES V. HANSEN,
JERRY LEWIS,
PORTER J. GOSS,
BUD SHUSTER,
BILL MCCOLLUM,
MICHAEL N. CASTLE,
NORMAN D. DICKS,
BILL RICHARDSON,
JULIAN C. DIXON,
ROBERT TORRICELLI,

RONALD D. COLEMAN,
DAVID SKAGGS,
NANCY PELOSI,

From the Committee on National Security,
for consideration of defense tactical intel-
ligence and related agencies:

BOB STUMP,
FLOYD SPENCE,

Managers on the Part of the House.

ARLEN SPECTER,
DICK LUGAR,
RICHARD SHELBY,
MIKE DEWINE,
JON KYL,
J.M. INHOFE,
KAY BAILEY HUTCHISON,
BILL COHEN,
HANK BROWN,
BOB KERREY,
JOHN GLENN,
RICHARD H. BRYAN,
BOB GRAHAM,
JOHN F. KERRY,
MAX BAUCUS,
J. BENNETT JOHNSTON,
CHARLES S. ROBB,

From the Committee on Armed Services:

STROM THURMOND,
SAM NUNN,

Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON H.R. 3539, FEDERAL AVIATION AUTHORIZATION ACT OF 1996

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3539), to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee? The Chair hears none and, without objection, appoints the following conferees:

From the Committee on Transportation and Infrastructure, for consideration of the House bill (except section 501) and the Senate amendment (except section 1001), and modifications committed to conference: Messrs. SHUSTER, CLINGER, DUNCAN, OBERSTAR, and LIPINSKI.

From the Committee on Transportation and Infrastructure, for consideration of section 501 of the House bill and section 1001 of the Senate amendment, and modifications committed to conference: Messrs. SHUSTER, CLINGER, and OBERSTAR.

As additional conferees from the Committee on Rules, for consideration of section 675 of the Senate bill, and modifications committed to conference: Messrs. DREIER, LINDER, and BEILENSEN.

As additional conferees from the Committee on Science, for consideration of sections 601-05 of the House bill, and section 103 of the Senate amendment, and modifications committed to conference: Mr. WALKER, Mrs. MORELLA, and Mr. BROWN of California.

As additional conferees from the Committee on Science, for consider-

ation of section 501 of the Senate amendment and modifications committed to conference: Messrs. WALKER, SENSENBRENNER, and BROWN of California.

The SPEAKER pro tempore. The Chair will name members from the Committee on Ways and Means at a later date.

There was no objection.

CONFERENCE REPORT ON H.R. 3666, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPRO- PRIATIONS ACT, 1997

Mr. LEWIS of California. Mr. Speaker, pursuant to the order of the House of earlier today, I call up the conference report on the bill (H.R. 3666), making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of today, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Friday, September 20, 1996, at page H10733.)

The SPEAKER pro tempore. The gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. LEWIS].

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report on H.R. 3666 and that I may include tables, charts and other extraneous materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the very beginning of this discussion on this very important bill, I want my colleagues to know just how strongly I feel about the need to change the tons of the debate that often takes place on this floor.

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Often it is shrill. Often it is dominated by extremes. All too often it is partisan for the sake of being partisan.

It is my view that we should work hard to change that fact. Public policy is best developed in an atmosphere of bipartisanship. Working together, we do a much better job for the public and the people that we were elected to represent. Mr. Speaker, the bill that we are about to consider is a reflection of

perhaps the best of that kind of effort to change our working environment.

With that, Mr. Speaker, my ranking member, the gentleman from Ohio [Mr. STOKES], and I are pleased to present the 1997 VA-HUD and Independent Agencies Conference Report. This report treats all accounts fairly within the allocation provided to the subcommittee. This is a bipartisan bill which I have every expectation will be signed by the President.

The fiscal year 1997 VA-HUD bill reaffirms our continued commitment to serving veterans, to protecting the environment, providing housing for the poorest of the poor and ensuring America's future leadership in space.

In spite of the difficult challenges in putting this conference report together, this final product represents a balance of tough choices and common interests. Most importantly, it keeps the appropriations process on track for meeting the vital objective clearly stated by the Congress and the administration of balancing the budget by the year 2002.

A majority of programs have been funded at either the President's request or the enacted levels for fiscal year 1996. We have succeeded in holding the line on spending by reducing the rate of growth in several spending programs. This bill is a demonstration that deficit reduction can be achieved while keeping an ever watchful eye on every taxpayer dollar the Government spends. In fact, this legislation is \$3.2 billion below the President's request.

When this conference report becomes law, the Subcommittee on VA, HUD and Independent Agencies will have cut nearly \$20 billion in discretionary spending over the last 2 years. At the same time we have dramatically reduced the rate of growth of Government. Our work clearly demonstrates that Congress can move toward a balanced budget while at the same time delivering funding for people programs that have performed well.

This bill has drawn a good deal of attention due to the fact that three health care riders were added to the bill in the Senate. While this is, in my judgment, not the proper vehicle to reform our health care and insurance delivery systems, the House voted overwhelmingly to instruct the conferees to retain the Senate provisions. House and Senate leadership agreed that these legislative riders should be included in the final version of the VA conference report and thereby we have responded.

These provisions relate to mental health parity, to 48-hour hospital stays for mothers and newborns, and veterans benefits to children suffering from spina bifida as a result of their parents military service. Because these issues are really outside the jurisdiction of the committee and certainly beyond the expertise of either the committee or our staff, the mental health parity provision is not effective until January 1, 1998. The spina bifida provision is not effective until October 1, 1997.